



NWC McDowell Road & Granite Reef Road

U r b a n r e v i t a l i z a t i o n
FINAL MASTER PLANNING REPORT . 10-23-02

MASTER PLANNING REPORT

NORTHWEST CORNER OF MCDOWELL & GRANITE REEF ROAD REVITALIZATION PROJECT

CITY OF SCOTTSDALE

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10/23/02

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1 INTRODUCTION

The master planning process for the McDowell Granite Reef Revitalization Project was undertaken to establish key criteria that would influence the outcome of the development on the northwest corner of McDowell Road and Granite Reef Road in south Scottsdale. Detailed analyses of the programming, site conditions, existing infrastructure capacity and financial feasibility of the proposed uses were conducted. The process aimed to achieve the following:

- A comprehensive report of the spatial needs and a strategy for the possibilities of shared uses to accomplish a well-balanced solution.
- Conceptual plans showing locations and massing of the proposed new structures.
- Framework of the possible costs and returns to the City.
- The development strategy for the site.
- The level of City participation in subsequent site development.

The goal of the planning process was to establish a well balanced master plan that embodied the hopes and desires of the surrounding neighborhood and conformed to the direction given by City Council to create a model campus - a shaded, pedestrian-oriented campus characterized by a community that provides a “sense of place” and becomes a destination/focal point for south Scottsdale. By being contextually responsive and integrating with the surrounding neighborhood, the project aimed to become a “home away from home” for the local community to congregate in, enjoy and interact with.

This project represents a new City focus on smaller revitalization projects, wherein the City takes on a significant role in master planning to determine the type and scope of development on a site. The site, a former Smitty’s Store location, is situated on the northwest corner of McDowell Road and Granite Reef Road, and lies within the Los Arcos Redevelopment Area. It forms a key property in the revitalization of the McDowell Road corridor in south Scottsdale.

1.1 Overview

Concern from the surrounding neighborhood regarding the outcome of the abandoned 13.1-acre Smitty’s parcel prompted the City to purchase the land from The Kroger Corporation in April 2001. Since its purchase, the City has completed asbestos abatement, building demolition and cleanup of the site. Recognizing the potential of the site to revitalize the neighborhood, the City initiated a master planning process that set new standards in neighborhood supported redevelopment. By assuming an active role in revitalization of the site, the City aimed to foster economic and social vitality along the McDowell Corridor by bringing in new community and commercial uses.

Keeping in mind the City’s goal for neighborhood supported redevelopment, numerous neighborhood outreach meetings were held to determine potential uses that the neighborhood would support. Based on citizen outreach efforts from February - October 2001, the most desirable uses identified were City services, neighborhood services and a mix of uses. The uses proposed included the new Senior Center, citizen's service center, community theater, school, offices, commercial restaurant/retail pad and senior housing.

Several non-profit and community organizations also stated their interest in being involved with the site development. Other key considerations included the level of participation with subsequent site development the City intended to maintain, such as development control, site management and construction timeline.

A team was hired to develop a master plan that best incorporated the direction from City Council and the desires of the neighborhood. The Master Planning Team consisted of EDAW (a national land planning firm with local offices), Design Link Architecture, Economic Research Associates (ERA) and Wood Patel Consulting Engineers, Inc.

1.2 Master Plan Objectives

The Master Plan objectives include:

- Building on current opportunities and constraints of the site to maximize site usability.
- Accommodating a mix of users that would create a diverse and vibrant pedestrian-oriented community.
- Promoting compatible uses on the site to maximize shared use.
- Integrating the local transit system to maximize accessibility.
- Promoting neighborhood-oriented uses beneficial to the local community.
- Incorporating Council direction and neighborhood feedback to accomplish a well balanced solution.
- Establishing a fiscally viable and creative Master Plan that would promote the development of a model campus environment for the community.

1.3 Purpose

The purpose of this report is to provide an insight into the planning process that guided the Master Plan development for the site. This includes several components:

- Initial Public Input
- Site Analysis
- Potential User Groups
- Planning Analysis
- Master Plan Development
- Council/Community Outreach
- Market Overview
- Final Conclusions

Each component is discussed in detail in the report. A separate Master Plan Addendum, which is a comprehensive compilation of all data gathered during the planning process, is located at the City of Scottsdale for review at the following location:

Economic Vitality Department
City of Scottsdale
7447 E. Indian School Road, Suite 200
Scottsdale, AZ 85251
Valentine Hernandez, Economic Vitality Specialist
480-312-7315 or 480-312-7989

1.4 Conclusions

The final decision from the master planning process regarding the development strategy for the 13.11 acre site includes the following:

- Preservation of 4.3 acres of the site as a municipality parcel for the development of the Senior Center and the Stagebrush Theater, to be undertaken by the City of Scottsdale.
- Request proposals from outside developers to evaluate the remaining 8.8 acres of the site and provide development strategies to accomplish the intent of the Master Plan.

2 SITE ANALYSIS

2.1 Regional Setting

The site is located in southern Scottsdale, approximately 4 miles from downtown Scottsdale and approximately 11 miles from downtown Phoenix (Figure 1.1). The 101 Freeway (Pima Freeway) is located in close proximity towards the east, creating easy access to both the Scottsdale Airpark's extensive business community in north Scottsdale and the East Valley communities of Tempe, Mesa, Chandler and Gilbert. The site is located on the northwest corner of McDowell Road and Granite Reef Road, specifically between Hayden and Pima Roads, with frontage onto McDowell Road. The traffic count on McDowell Road is 25,800 ADTs. The Salt River Pima-Maricopa Indian Community is located immediately east of Pima Road. The site lies within the Los Arcos Redevelopment Area and forms a key property in the revitalization of the McDowell Road corridor in south Scottsdale. The net area of the site per the ALTA Land Title Survey is 13.113 acres.

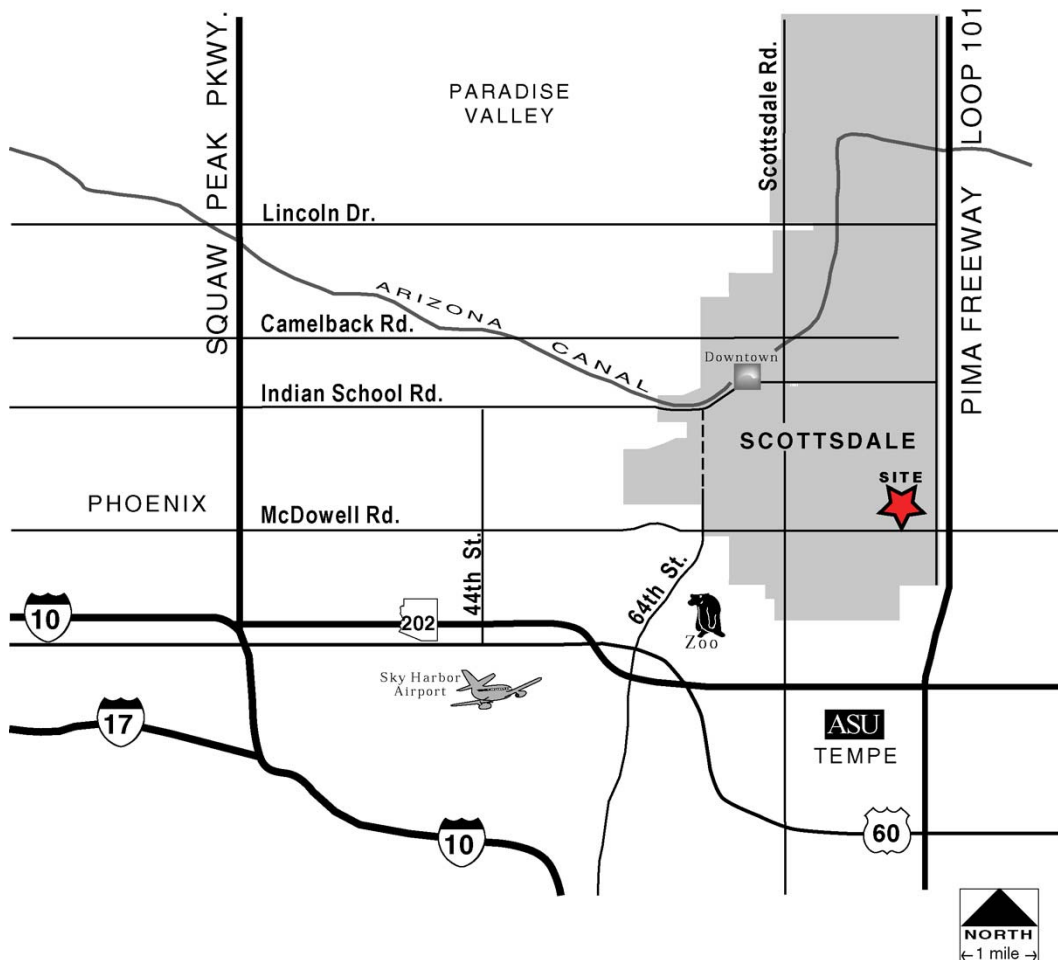


Figure 1.1 Regional Context

2.2 Local Context

The predominant use at a regional level (Figure 1.2) is mostly residential. Commercial uses include automotive dealerships, medical offices, and various older retail establishments and strip malls. General Dynamics is a major employer within the region and is located directly across the street. Other important institutional uses in the vicinity are Hohokam Elementary School, Coronado High School, Scottsdale Civic Center and Scottsdale Stadium. The Indian Bend Wash, Eldorado Park and Papago Park recreational complexes are all located along the McDowell corridor from one to three miles to the west.

Adjacent land uses include tract single-family residential areas to the north, tract single-family residential and strip retail to the east, General Dynamics to the south and strip retail/single family residential to the west. ARCO AM-PM and Kicks 66 are contiguous with the site on the east and west. A residential street (Elm Drive) from the adjoining neighborhood terminates onto the site (Figure 1.3).

2.3 General Property Description

The site is paved, at street grade and with an elevation approximately 1,211 feet above mean sea level. On-site storm water runoff sheet flows across the asphalt parking lot from north to south, and enters the storm drain lateral system in McDowell Road through a series of catch basin inlets located on site. There is no on-site storm water storage.

2.3.1 Property Characteristics

Easements

- Eight-foot electric easement running north to south across western triangle.
- Cross access easement with the ARCO parcel.
- Ten-foot easement and ROW for alley and public utilities along northern boundary.
- Easement for utility equipment on northern portion of site.
- Other typical utility easements for electric lines and anchors (Figure 1.4).

Deed Restrictions

The property has a deed restriction that prevents “grocery” and “pharmacy” use for twenty years from the year 2001.

Site Utilities

Site utilities include gas provided by Southwest Gas, water provided by City of Scottsdale, electric utilities provided by Arizona Public Services, sanitary sewer provided by City of Scottsdale and telephone provided by Qwest Communications. Based on information gathered during the master planning process, the capacity of current utilities to the site would accommodate most development scenarios.

Site Access

Main access to the site is located off McDowell Road. Secondary access points occur along Granite Reef Road and 82nd Place. Traffic signals are located at the intersections of both these streets with McDowell Road. One median break/left turn exists off McDowell Road. No additional median breaks on McDowell Road are envisioned.

Site Improvements

Currently, site improvements include an asphalt paved surface (previous parking lot for Smitty's) and a landscaped perimeter. Adjacent roads are improved with concrete curbs and gutters, sidewalks and streetlights. As part of the City sponsored Scottsdale and McDowell Roads Streetscape Improvement Program, new landscaping is proposed along McDowell Road.

Environmental Assessment

An environmental assessment of the site was conducted by Asset Environmental Services, L.L.C., in January, 2001. Based on the site's history and the conditions observed, Asset Environmental Services, L.L.C did not find evidence of hazardous waste or other conditions that would appear to present a material risk of harm to public health or the environment. For details on the report, please refer to the Master Plan Addendum.

2.4 Development Standards

2.4.1 Zoning

The land is currently zoned CS (Regional Shopping Center), which allows for well designed shopping facilities that serve a large regional area. The permitted uses within the CS District include business and professional uses, retail sales and service-oriented uses.

Existing development standards allow:

CS Zoning

FAR

Gross Floor Area Ratios (FAR) up to an amount equal to eight tenths multiplied by the net lot area in square feet.

Volume Ratio

The Volume Ratio for any structure to be up to the net lot area in square feet multiplied by 9.6 feet

Open Space Requirement

Open Space Requirement of at least 10 percent of the net lot area for up to 12 feet of height, plus four tenths percent of total lot area for each foot above 12 feet. Open space may not include parking lot landscaping

Building Height

Building Heights of up to 36 feet are allowed.

Setbacks

Front Yard – A minimum of 25 feet shall be required. Parking will not be allowed in the Front Yard requirement. Where parking occurs between a building and the street, a yard of 35 feet in depth between the street and parking shall be maintained. This depth may be decreased to a minimum of 20 feet per Sec.10.402 D3, as determined by Development Review Board approval or use permit.

Side Yard – A minimum of 50 feet must be maintained where the side of the yard abuts a single-family residential district or abuts an alley adjacent to a residential area. The 50 feet may include the width of the alley. A minimum of 25 feet shall be maintained where the side lot abuts a multiple-family residential district. The 25 feet may include any alley adjacent to the residential district.

Rear Yard – A minimum of 50 feet must be maintained where the side of the yard abuts a single-family residential district or abuts an alley adjacent to a residential area. The 50 feet may include the width of the alley. A minimum of 25 feet shall be maintained where the side lot abuts a multiple-family residential district. The 25 feet may include any alley adjacent to the residential district.

All operations and storage shall be conducted within a completely enclosed building or within an area contained by a wall or fence, as determined by Development Review approval or use permit.

2.5 Alternative Zoning Districts

Due to the deed restrictions on the site and to better achieve the objectives of the Master Plan, it was recognized that an alternative zoning district may be required. Specifically, zoning districts that allowed the flexibility to incorporate a mix of uses, such as commercial, residential and business, were considered. These included:

2.5.1 C-2 (Central Business District)

The C-2 District not only provides a center for convenience shopping for the local residential area, but also permits commercial activities that are usually associated with the central business district. The permitted uses in C-2 Districts include business and professional uses, residential uses physically integrated with commercial establishments, retail sales, and service-oriented uses.

2.5.2 C-2 with Residential Proposed Text Amendment

In an attempt to be more user based, the City has considered a C-2 with residential proposed text amendment. This would consider dwelling units if the units are physically integrated with permitted commercial establishment, and that do not exceed a maximum of 25 percent of the total ground floor area and cannot exceed 30 feet in height. If it does exceed 30 feet in height, the parcel cannot abut R-1 zoning and will have to go through the zoning approval process.

2.5.3 PCD (Planned Community Development District)

The PCD District allows for a combination of land uses, including a variety of residential types, commercial, industrial, public and semi-public areas, arranged and designed

according to current land planning principles. The PCD District zoning promotes the integration of a diverse mix of uses, which must be compatible with the existing and planned uses in the surrounding area. The site acreage fulfills the minimum acreage requirement (10 acres) for PCD overlays, and lies within a designated redevelopment area (Los Arcos Redevelopment Area).

2.5.4 C-O (Commercial Office District)

The C-O District is intended to provide an environment desirable for office and related uses adjacent to the central business district or other major commercial cores. Other uses generally compatible with office concentrated uses as well as with high density and medium residential districts, which often adjoin C-O Districts, will also be permitted.

2.5.5 R-3 to 5 (Medium to Medium High Density Residential District)

The R-3 to 5 zoning districts are intended to provide residential uses varying in densities from medium density residential to multiple-family residential. Higher residential densities are associated with a proportional increase in amenities. The high density residential districts aim to promote a high quality environment through aesthetically oriented property development standards.

The City will work in partnership with the chosen developer in the rezoning process. Depending on the mix of uses that evolve from the RFP results, final zoning decisions that accommodate anticipated changes and cater to city and community requirements will be made.

For the purpose of preliminary site planning, master planning options were developed taking into account the potential zone change to C2 zoning.

2.6 Existing Infrastructure

2.6.1 Water

In a meeting with the City of Scottsdale, City staff reported the following:

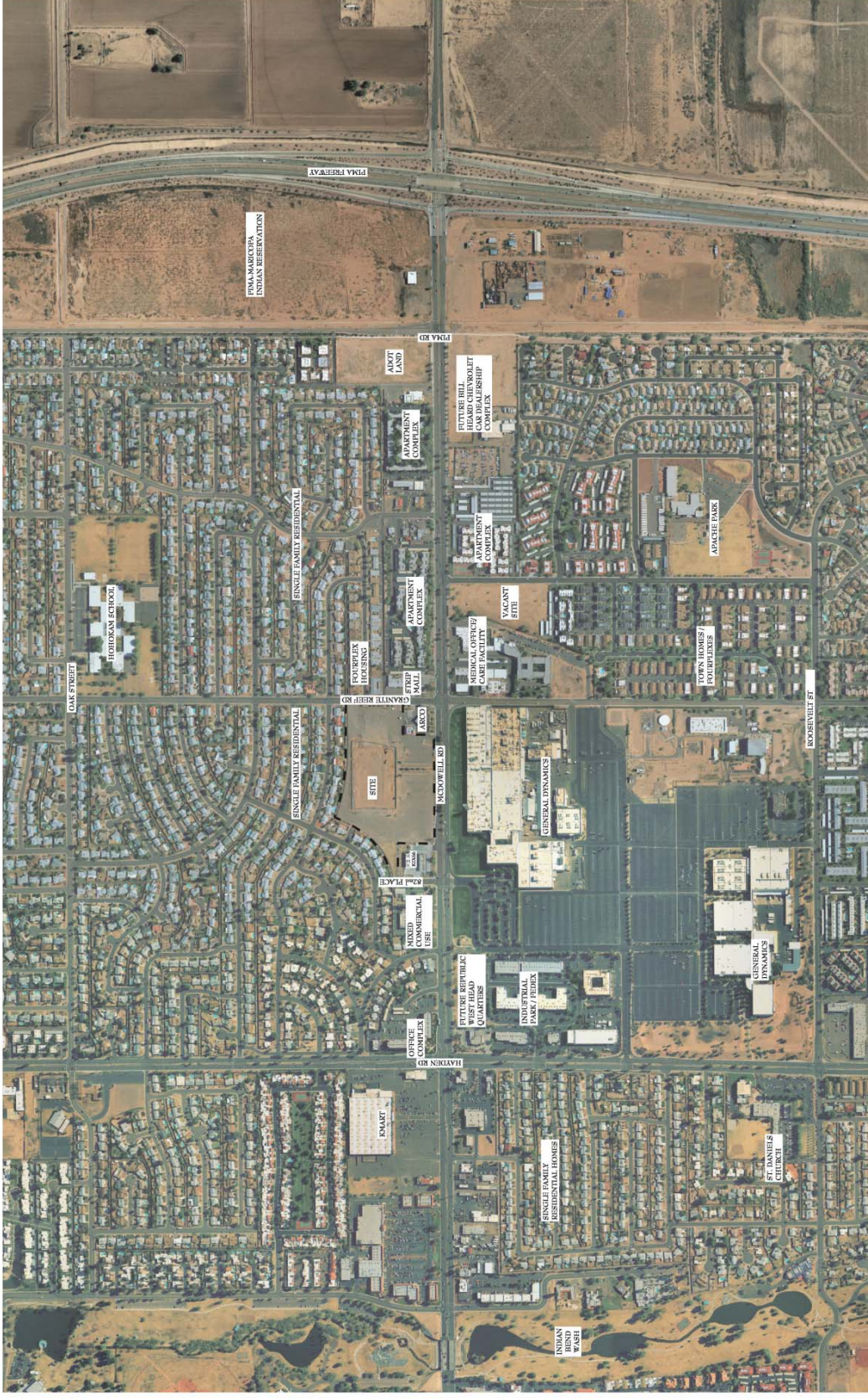
- The water pressure zone is Zone A.
- The water system infrastructure is considered to be in good working condition by City staff.
- No apparent deficiencies regarding pressure and supply have been identified. General Dynamics (formerly Motorola), located on McDowell Road immediately south of the project site, reportedly is operating at +/-85% capacity. Motorola has historically been the City's biggest water user. If the City water supply is detrimentally affected by increased demand from General Dynamics, the existing main in Hayden Road from Oak Street to McDowell Road may require upgrades. These upgrades would be developer driven, that is, a condition of development, when or if the need becomes apparent. City staff said this is not a high priority issue.
- The existing water system is not looped. A +/- 550-foot segment is missing in Pima Road between Willetta Street and McDowell Road.

2.6.2 Sanitary Sewer

In a meeting with the City of Scottsdale, City staff reported the following:

- The existing sanitary sewer system will be monitored beginning in mid-April 2002. City staff anticipates the results of system capacity to be available in the future.
- The sanitary sewer system is considered to be in good working condition by City staff.
- At this time, no capacity problems have been identified.

For a detailed report of the site infrastructure, refer to Appendix A attached with this report.



LOCAL CONTEXT

Figure 1.2 Local Context



Figure 1.3 Project Site



VIEW TO CAMELBACK MOUNTAIN



KICKS 66



GENERAL DYNAMICS



LEGEND

- WATER LINES
- SEWER LINES
- - - - - SITE ENTRY
- ALLEY ENTRY

EXISTING SITE CONDITIONS



ADJACENT RESIDENTIAL AREA



ARCO



ARCO & ADJACENT RETAIL

Figure 1.4 Existing Site Conditions

3 2001 CITY/COMMUNITY INPUT

3.1 Initial Community Input

After purchase of the site in January of 2001, the City conducted several initiatives to gather feedback from the public regarding the proposed uses on the site. Refer to the Addendum for details of the outreach initiatives. A brief summary is described below.

February 2001

- More than 6,000 brochures were distributed to all homes, apartments and businesses within a two-mile radius of the site. More than 1,200 questionnaires were returned, with 70 percent of the returned questionnaires from residents within a two-mile radius of the site.
- Questionnaires were also available electronically on the project website www.ci.scottsdale.az.us/neighborhoods/smittysrev/.
- The most desirable use identified on a broad level was City services, followed by neighborhood services and a mix of uses.

March 2001

- Three planning workshops were held by the City of Scottsdale. More than 180 people attended the workshops in which groups were formed to identify concepts and locate them on a site map.
- Specifically, user types that were most favored included a Senior Center, a family style sit-down restaurant, a police substation, miscellaneous retail and a small park.
- The planning workshops established four concepts with specific focus areas. These included a) Public Use Center, b) Senior Activity Center, c) Multi-use Center and d) Neighborhood Activity Center.
- The Master Plan that focused on the multi-use center was the most favored plan. This included the Senior Center, family restaurant, City services center, commercial/shops, flex space, education, multi-use center, offices, medical uses and a mini park.

Generally, three-story buildings within the development were opposed. Building heights no more than the original Smitty's building height (28') were found acceptable. High density multi-family and affordable housing uses were vigorously opposed. Non-profit/community organizations that offered valuable service to the community and senior housing were also considered as potential users on the site.

Conclusions derived from the initial community input were significant in the master planning process, as they provided a basis for evaluating other potential users that would be compatible. Further planning tasks included determining the program requirements and the feasibility of desired uses on the site.

4 POTENTIAL USER GROUPS

4.1 Dedicated Users

The Senior Center and Stagebrush Theater were considered dedicated users for the site based on Council directive and prior commitments of the City. A Capital Improvement Bond 2000 Program was approved by the voters in September 2001 for funding the Senior Center. A prior lease agreement with the Stagebrush Theater warranted the translocation of the theater group to the site.

Senior Center

- The new Senior Center facility would serve as a new community, recreational and Human Services facility for the City of Scottsdale. The new facility will include services such as recreation, social services, health and wellness services, and socialization opportunities. The new facility would concentrate primarily in serving the needs of active adults, seniors, and disabled persons in the southern and mid-section area of the City of Scottsdale. It requires a total of up to 41,000 square feet, which would include the police beat office and a small amount of unallocated space for miscellaneous City uses such as the Citizen's Service Center. The Senior Center requires easy ingress/egress by the Center's clientele and minimal vehicular impact on their pedestrian access within the site.

Stagebrush Theater

- The Stagebrush Theater is a community theater for local thespians to produce and act in a variety of theater opportunities. The proposed floor plan has a 13,280 square foot building and includes a workshop area at its rear that requires easy access. The newly developed plan was used as a footprint of the building for planning purposes. Refer to Appendix B for the plan exhibit. The location for the theater required direct visibility from one of the main arterials and accommodation for a marquee on the building frontage.

The specific planning programs and space requirements of the dedicated user group provided a means against which to base user compatibility and shared use possibilities for other potential users on the site.

4.2 Non-profit User Groups

Several non-profit user groups indicated their interest in being located on the site. The proposed location of the Senior Center on the site was a key factor, as it ensured a steady volunteer base. The relationship between non-profit organizations and the Senior Center was regarded as mutually beneficial, as the adjacency of several volunteer organizations in such close proximity to the Senior Center ensured their continued participation in activities that benefited the community. Responding to the City's request for further information, interested non-profit user groups submitted questionnaires detailing their operational requirements. Key information included work program, space requirements, ability to fund improvements and revenue potential. Meetings with potential non-profit groups were held to further understand their requirements and the potential for shared

use. A comprehensive chart that details the findings is included in Appendix C attached with the report.

4.3 For-profit User Groups

The commercial/retail, office, senior housing and Senior Center were considered full profit users that are able to pay market rate or above market rate rent. To realize a return on the investment made by the City of Scottsdale, it was imperative that some for-profit users be included on the site. Some of the non-profit users also consisted of partial for-profit divisions.

4.4 User Group Description

The following section describes the possible user groups on the site, including the non-profit users that indicated an interest in being located on the site. The user groups have been broadly classified into type of uses.

4.4.1 Commercial/Retail Uses

The commercial/ retail uses included services that catered to the day-to-day requirements of the surrounding community, including dry cleaners, video store, sandwich shop, deli, ice cream shop, shoe repair, postal services, copy center, etc., and a family sit-down restaurant. The high traffic volume on the road, a major employer across the street, surrounding residential uses, patrons of the Senior Center and Stagebrush Theater, as well as other anticipated users would help support proposed retail uses on the site.

4.4.2 Office Uses

Based on the need determined from the surrounding neighborhood and the synergies with the proposed Senior Center and existing medical facilities in the neighborhood, office uses were considered a feasible use on the site. Office on top of commercial spaces would also facilitate affordable rents for target markets and contribute to revenue for the City.

4.4.3 Housing

The proposed Senior Center provided synergy for other senior-oriented uses. Due to the compatibility of senior housing with the Senior Center and the possibilities of multiple shared uses and concurrent activity programming, it was considered a feasible use for the site. Local demographics of the area also established the potential for senior housing on the site.

Senior Housing:

The housing types that were looked at included:

- Typical developer individual for-sale condos that would range from studio to two bedroom units.
- Rental independent apartments that were market rate or subsidized to some level by federal funding.
- Assisted living: life-care buy-in model for independent, assisted and nursing level were considered as full service. Many of the Senior Center services could augment a less than full service facility.

American Cancer Society, Respite Center

The Respite Center, affiliated with the American Cancer Society, required about 40,000 square feet for 40-50 "Hampton Inn" style units, which would be available to cancer patients of all ages from outside the Phoenix Metro area. The center would be built in conjunction with 40,000-50,000 square feet of office and outreach space for the Southwest Division of American Cancer Society.

4.4.4 Non-Profit Institutions/Schools

Ville de Marie Academy

The Ville de Marie Academy, a private K-12 school that currently owns land and buildings at the Paiute Center, is willing to sell this property to the City if they could be relocated to another site. The City has \$400,000 from the 2000 Bond approval to purchase land so that more City services can be provided in the Paiute area. The school required 2.5 to 5 acres of land, preferably at a subsidized rate, and were willing to fundraise for the construction of their buildings.

New School for the Arts

A charter high school for dramatic and fine arts has relocated to Tempe, Arizona since the initiation of the planning process, and was no longer interested in locating at the site.

Eduprenurship

A charter K-8 school that currently rents space from the Scottsdale School District at Apache. They require 3-4 acres and/or 5,000-8,000 square feet to rent or own.

Rio Salado Community College

An educational organization that provides Adult Basic Education, GED preparation and instruction in English for Speakers of Other Languages. They required 6,000 square feet of classroom space at reduced or no rent. Currently, Rio Salado's Scottsdale Adult Learning Center has space at a vacant Scottsdale Unified School District site at Oak and Miller Roads. They will lose this space by the end of October, 2002.

Foundation for the Handicapped

A vocational school with offices and some warehousing for mentally challenged adults who live in Scottsdale and the surrounding area. They are outgrowing space at Osborn, which they currently rent from the City. The foundation requested around 25,000 square feet and were working out a fundraising plan for construction costs. They would like the City to offer the land at a subsidized rate and possibly cover some building costs.

Maricopa County Pet Adoption Center

A no-kill, pet adoption center, which would house about 35 dogs and 20 cats ready for adoption. The center required 5,000 square feet, including a retail area and two outdoor dog walk/dog training areas of around 10,000 square feet that could be shared with the community. They would prefer the City to donate the land, but had the capacity to pay for construction through fees and fundraising.

4.4.5 Multi-generational Activity

YMCA

The space requirement of the YMCA facility ranged from 20,000-40,000 square feet, depending on what the City would require and based on surrounding neighborhood needs. The YMCA would prefer the City donate land and either build the building, which they would repay over time or rent. They were also willing to fundraise for the building. An outdoor pool, indoor fitness center, youth activities and interaction with the Senior Center were the main components of the facility.

Desert Stages Community Theater

The requirement for the Desert Stages Community Theater consisted of a 5,000-8,000 square foot black box theater that could seat 100 people for adult and child theater productions. They were fairly adaptable as to the type of space and were willing to share space with other users who needed multipurpose or theater space, but required continual use of the space in the afternoons and evenings. They preferred that the City would provide the land and basic box building, and the theater would provide all interior improvements and pay rent at a less than market rate. They were also able to use retail space, not specifically designed for them. The combined usage would bring in 100-125 people per day to the site who would be looking for retail and restaurants to use.

4.4.6 Non-Profit Office Type Users

Recording for the Blind and Dyslexic

This organization provides textbooks at no costs to blind and dyslexic students of all ages. They were looking for 5,000 square feet for offices and recording studios that would serve the east valley. They would like the City to provide space at subsidized rent. A majority of their volunteers are seniors.

League of Woman Voters

A volunteer organization that provides information to all voters on ballot items and helps to register voters. They required 600 square feet of office space at reduced or no rent.

American Cancer Society

Southwest District Office. See info under Housing.

Table 4.1 summarizes the user groups with information on their space requirements, parking requirements, open space requirements and funding ability

PROGRAM CHART															
USERS		ACRES	BLDG. SIZE	# STORIES	PARKING	OUTDOOR SPACE	PARKING RATIO	FUNDING ABILITY				REVENUE POTENTIAL			
								Land	Building	Market Rent	Below Market Rent				
American Cancer Society	4 ac	90,000 s.f.	1 to 2	250		2500 s.f.	.7/unit		●					\$	\$
Citizen Service Center/ Police Beat Office	n/a	2000 s.f.	n/a	8		n/a	1/250				●				
Desert Stages Theater	1-2 ac	5,000 s.f.	1	100* (55 city)		n/a	1/4 seats					●		\$+	
Foundation for the Handicapped	2 ac	27,500 s.f.	1	90 +(12 HP)		750 s.f	1/250		●					\$	
League of Women Voters	n/a	600 s.f.	n/a	3		n/a	1/250				●			\$	\$
New School for the Arts	5 ac	67,357 s.f.	1 to 3	337		400 s.f.	1/200		●					\$	
Offices	2ac	12,000 s.f.	1 to 2	48		n/a	1/250	●	●	●				\$	\$
Pet Adoption Center	n/a	5030 s.f.	1	20		20,000 s.f.	1/250		●		●			\$	\$
Recording for the Blind/Dyslexic	1 ac	3,095 s.f.	n/a	25*		n/a	1/250				●			\$	\$
Restaurant	1ac	5,000 s.f.	1	107		1500 s.f.	1/60 +20%				●			\$	\$
Retail	1.5ac	8,000 s.f.	1	32		n/a	1/250	●	●	●				\$	\$
Rio Salado Community College	n/a	6000 s.f.	n/a	9		n/a	1/classrm + 1/200 off.					●		\$	
Senior Center	3-4 ac	41,140 s.f.	1 to 2	259*		400 s.f.	1/200s.f.	●	●					\$	\$
Senior Housing	3-4 ac	46,500 s.f.	1 to 3	100		1000 s.f.	.7/unit	●	●	●	●			\$	\$
Stagebrush Theater	1-2 ac	12,661 s.f.	1	100* (55 city)		n/a	1/4 seats								
Ville De Marie Academy	5 ac	35,000 s.f.	1 to 2	64*		800 s.f.	1/classrm + 1/200 off.		●					\$	\$
YMCA	3-6 ac	20,000 s.f.	1 to2	100		10,000 s.f.	1/250 PLUS		●		●			\$	\$
* user recommendation															

Table 4.1 Summary of User Groups

5 PLANNING ANALYSIS

5.1 Site Evaluation

The site was evaluated to determine possible layouts that would maximize utilization of the site and accommodate a greater mix of compatible users. Larger users with large parking requirements precluded the opportunity for other users, and limited the user diversity within the site. The site was configured in various ways to achieve certain broad criteria. These included: maximum building frontage, centralized common open space, expansion of view corridor using interior open space, pedestrian-oriented internal spaces, and the creation of pedestrian connections to adjoining neighborhoods. Parking and vehicular traffic were limited to the periphery of the site. The site evaluation also determined the most valuable parcels and the ability to divide the site into regular parcels for disposition purposes. Responding to the adjacent neighborhood, pedestrian connections to 82nd Place, Granite Reef Road and Elm Drive were considered as important links to maintain in the Master Plan.

5.1.1 Configuration

The configuration of the site ranged from a single enclosed town square to a series of open spaces linked through buildings in a campus formation. The internal shared open spaces also served to create a frontage for some of the interior parcels. The varied alignments provided opportunities for establishing distinct site characters. Figures 5.2 – 5.5 represent site configuration diagrams and building layouts developed, corresponding with each configuration. The varying combinations of road alignments and parcel configurations also served to define site characters that were both distinctive and responsive to the Master Plan objectives. Figure 5.6 visualizes the image envisioned for the proposed development.

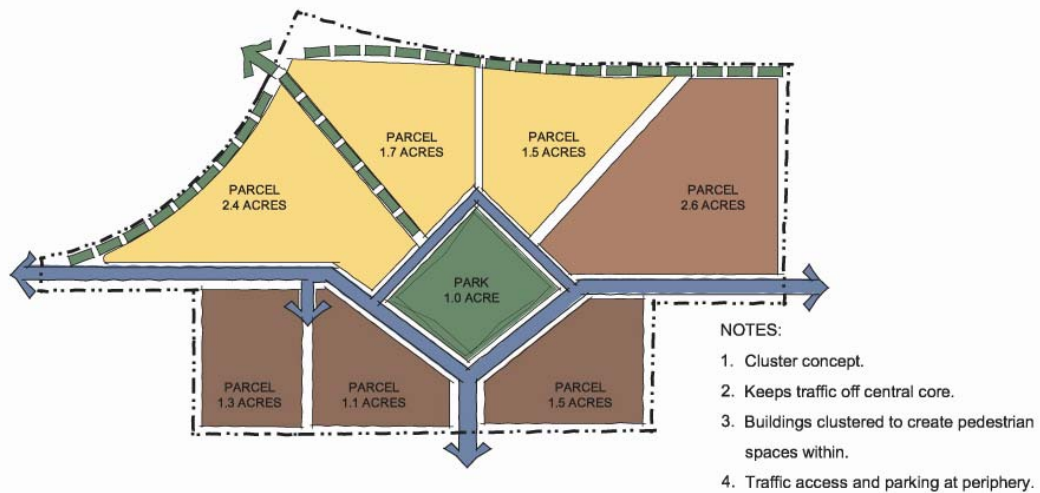
5.1.2 Site Character

The character established by the combination of built form massing and open space is intended to achieve the following:

- A balance of pedestrian and auto comfort.
- Adequate site visibility and accessibility to store fronts.
- Enliven the street edge by encouraging window shopping and street side activity.
- Promote a variety of interesting building facades and articulation for visual interest.
- Incorporate design elements at street level that draw in pedestrians and reinforce pedestrian interaction.
- Incorporate shaded paseos and a hierarchy of landscaped spaces that provide shared use spaces with adjacent buildings and activity areas.
- Incorporate indigenous and drought tolerant landscaping to promote a hardy landscape.
- Promote environmentally responsive development using passive energy conservation techniques.
- Mitigate or enhance micro-climatic effects through building configuration and landscape treatments.

The Campus Green

This concept is defined by a central open space integrated with the built form to create a series of internal, pedestrian-oriented spaces. Vehicular traffic is limited to the periphery. The building configurations require a primary entry facing the parking lots and secondary entries to the internalized pedestrian spaces.



CAMPUS GREEN



Figure 5.2 Building Configuration using the Campus Green Concept

The Town Square

The Town Square concept is characterized by a large, unbroken, formalized open space in the core of the development surrounded by narrow, low speed traffic roads and on-street parking. Vehicular access to the buildings is maximized. The buildings possess a distinctive front and back façade. The open space serves as a Town Square or gathering space for the neighborhood.

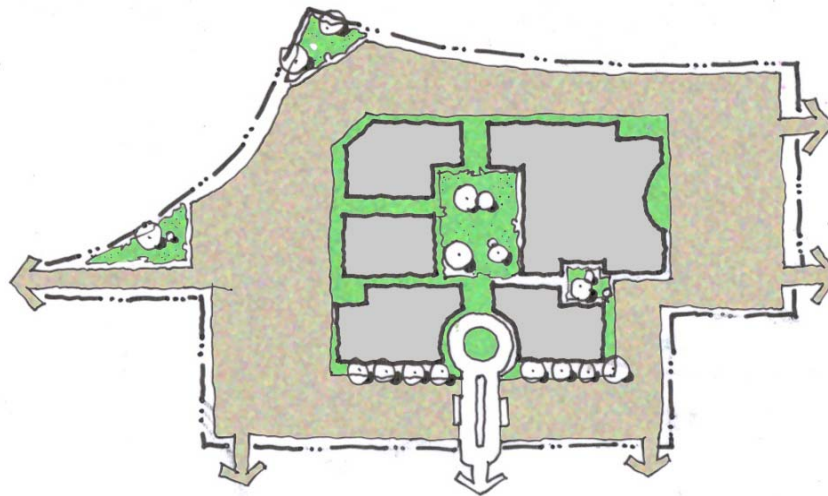
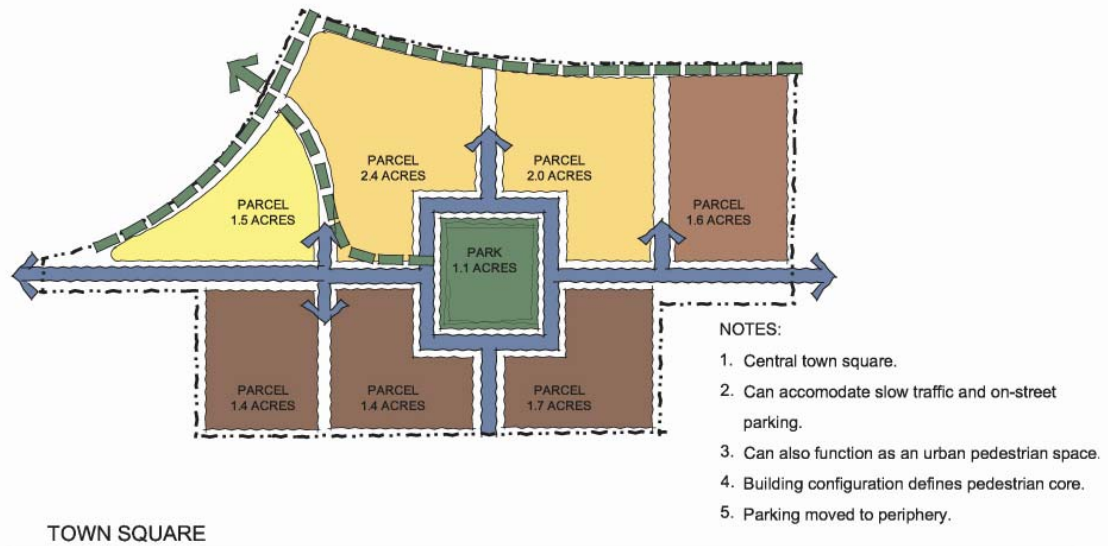


Figure 5.3 Building Configuration using the Town Square Concept

The Park Boulevard

The Park Boulevard is a variation of the Town Square concept, only linear in configuration. This allows for the development of a 'Main Street', characterized by a central landscaped boulevard overlooked by storefronts and on-street parking. Building frontage to the centralized space is maximized.

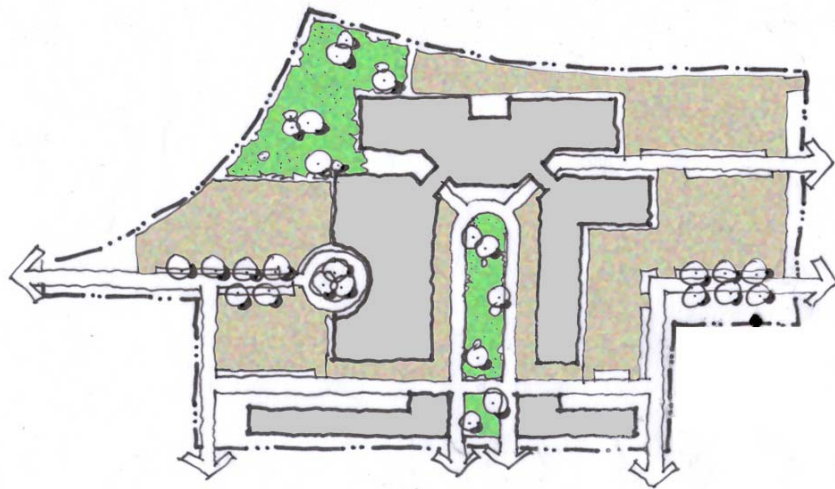
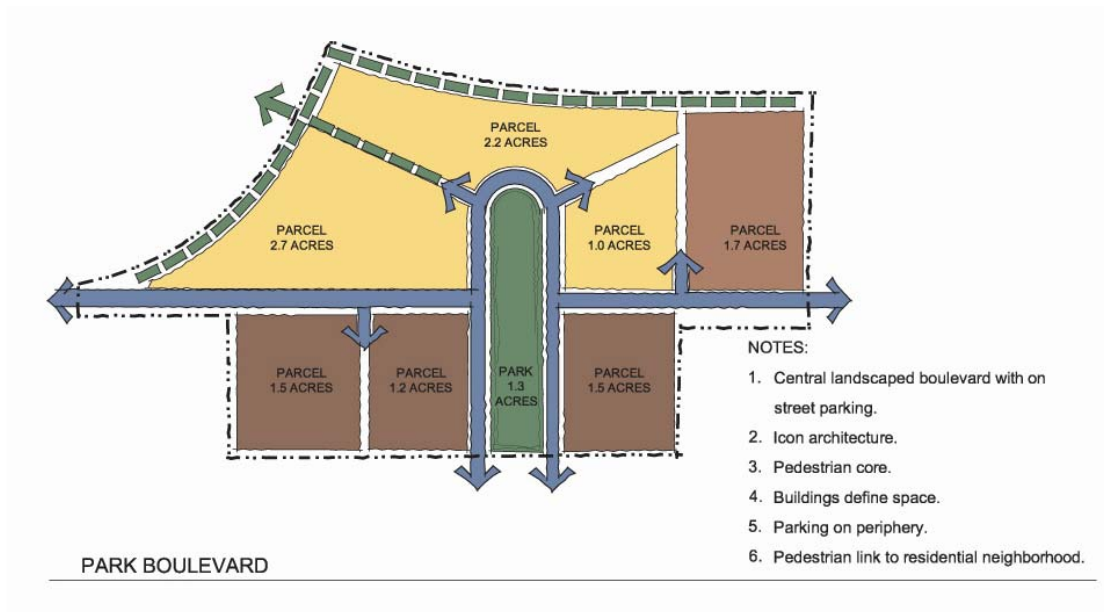


Figure 5.4 Building Configuration using the Park Boulevard Concept

The Park Buffer

The concept allows for a continuous strip of land adjacent to the neighborhood that serves as a landscape buffer/linear park between the residences and the development. This also provides the semi-private open space requirement for some of the user groups. The Park Buffer concept, however, limits open space to other parts of the site and requires greater efforts for security surveillance and maintenance.

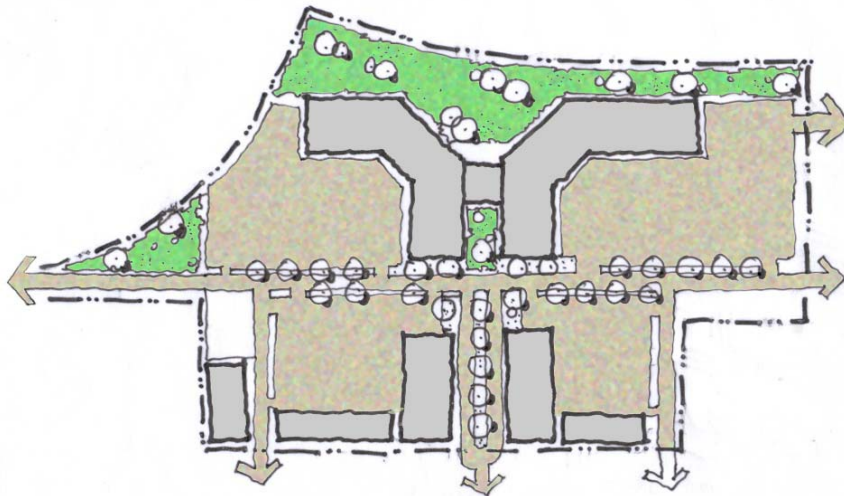
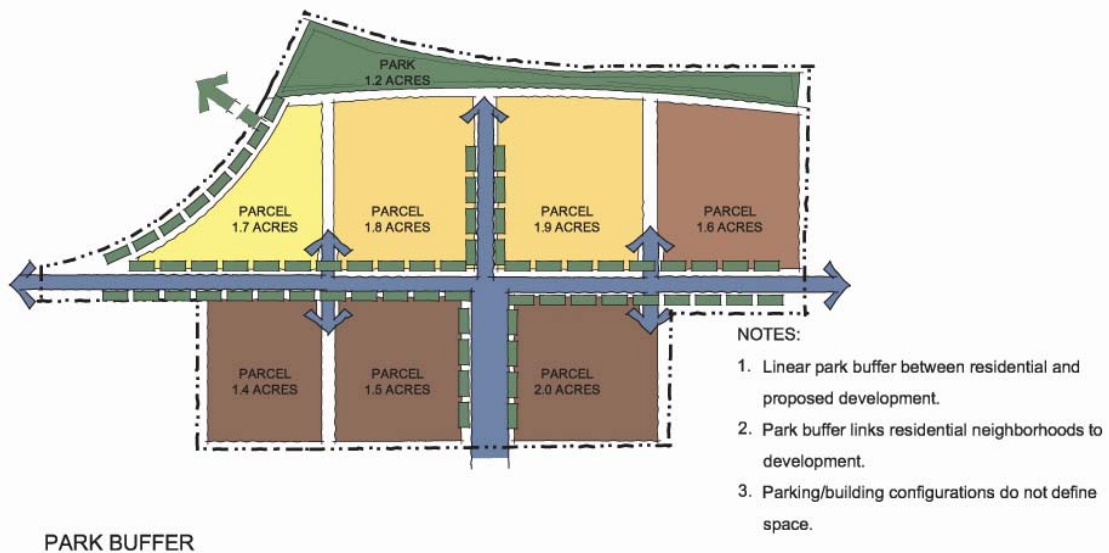


Figure 5.5 Building Configuration using the Park Buffer Concept

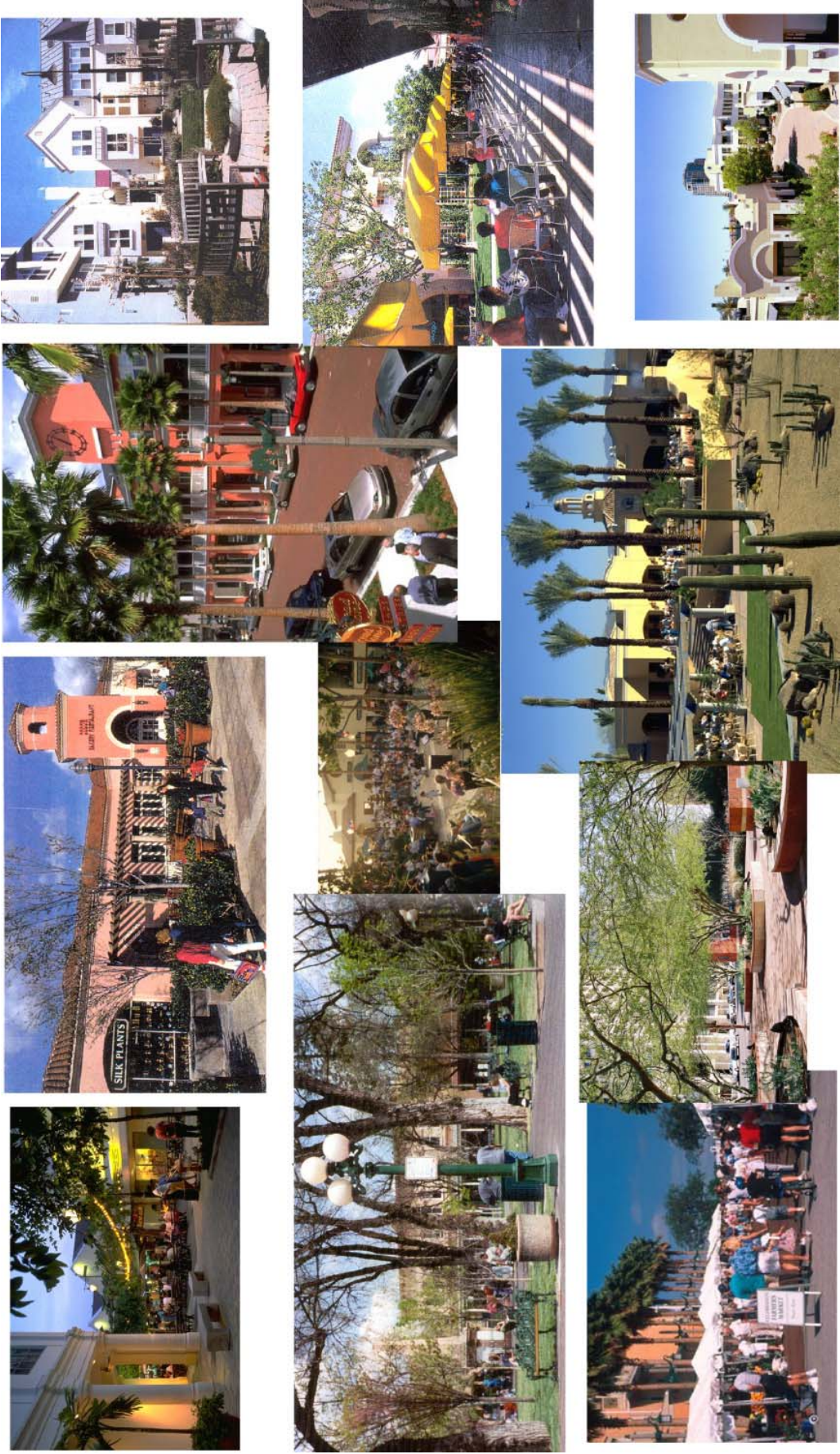


Figure 5.6 Site Image Visualization

5.2 User Group Analysis

Evaluations of user groups were conducted to establish users that most fulfilled the objectives of the project. Factors that contributed toward a community-oriented, pedestrian-friendly campus were rated high. The objective of the user evaluation was to determine those users that were most compatible in terms of flexibility of program requirements and the ability to share space with other user groups. Key considerations also included user compatibility with the proposed Senior Center and Stagebrush Theater, as well as the ability to create a synergy for other possible users and the surrounding community. The social benefit to the immediate community and compatibility with existing City uses were also important factors considered. The range of age groups that the use generated and the timing of its activity all contributed to the vibrancy of the development. The financial ability of the user to acquire the land and proceed with improvements on the site as well as the acreage required were also key factors in the evaluation. The following is the listing and criteria used to evaluate the user groups. As the site area was restricted, the evaluation criteria provided the means to determine the highest and best use for the site.

User Compatibility

- Compatibility with neighborhood and residential uses
- User type and the clients they serve
- Ability to share parking
- Ability to share facilities

Site Compatibility

- How flexible their location is on the site
- Can they share open space
- Is their size (building and land) compatible with the site

Local Community Benefit

- Do they provide a neighborhood benefit
- Do they provide service to a wide range of ages
- Do they provide a local community benefit

Regional Community Benefit

- Do they provide a neighborhood benefit
- Do they provide service to a wide range of ages
- Do they provide a regional community benefit

Funding Ability

- Do they have the ability to purchase land
- Do they have the ability to construct their building

Revenue Potential

- Do they have the ability to pay market rent
- Do they have the ability to pay below market rent

Generally, the user compatibility, local community benefit and financial viability were weighted higher in ranking the user groups. User groups that required a large area of the site with low local community benefits were ranked low. This permitted a larger number of non-profit users beneficial to the local community to be included on the site. Table 5.1 lists the users in the order of their ranking. Appendix D includes a summary chart of the evaluation.

USER GROUP RANKING	
YMCA	260
Commercial Offices	255
League of Women Voters	246
Senior Housing	239
Recording for the Blind & Dyslexic	236
Desert Stages Theater	234
Retail	234
Restaurant	234
Pet Center	234
Stagebrush Theater	230
Service Center	226
Senior Center	219
Ville De Marie Academy	195
New School for the Arts	170
American Cancer Society	102
Foundation for the Handicapped	99

Table 5.1 User Groups Ranked Per Evaluation Criteria

5.2.1 User Requirement

During the initial phase of the study, individual operational requirements and preferences of users were evaluated to determine site compatibility and user compatibility. These influenced the site layout in terms of location, adjacent uses and access. The requirement for each user varied and provided a means to balance users on the site, in order to achieve the desired conditions while maximizing shared use. Table 5.2 indicates the site preferences identified by the user groups.

	Senior Center	Stagebrush Theater	Ville De Marie Academy	New School for the Arts	YMCA	Recording for the Blind & Dyslexic	League of Women Voters	Desert Stages Theater	American Cancer Society	Senior Housing	Rio Salado Community College	Pet Adoption Center	Foundation for the Handicapped	Office/Retail
Easy Accessibility	✓	✓			✓			✓		✓			✓	✓
Frontage		✓			✓									✓
Public Transit Connection	✓		✓							✓	✓		✓	✓
Street Visibility		✓			✓									✓
Primary Entry		✓			✓									
Open Space									✓	✓		✓	✓	
Continual Parking	✓				✓					✓				

Table 5.2 User Identified Site Preferences

5.3 Shared Use

5.3.1 Shared Use Analysis

To maximize efficient use of the site, certain program components of the potential user groups were identified as possible shared space. Shareable program elements influenced the Master Plan, as they required easy access to multiple user groups. Table 5.3 summarizes the spaces identified as potential shareable spaces and the user groups that would use the spaces.

	Senior Center	Stagebrush Theater	Ville De Marie Academy	New School for the Arts	YMCA	Recording for the Blind & Dyslexic	League of Women Voters	Desert Stages Theater	American Cancer Society	Senior Housing	Rio Salado Community College	Pet Adoption Center	Foundation for the Handicapped
Conference Rooms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Theater Space		✓		✓				✓	✓				
Food Service/Kitchen	✓		✓						✓	✓	✓		
Multi-purpose Rooms		✓	✓	✓	✓			✓					
Outdoor Pool	✓				✓								
Gymnasium			✓		✓								
Semi-private Open Space			✓	✓	✓				✓			✓	✓
Restrooms	✓												✓
Parking	✓					✓	✓	✓	✓			✓	✓

Table 5.3 Potential Shared Uses between User Groups

5.3.2 Shared Parking Analysis

Shared parking reduces the number of parking spaces that need to be provided, especially in mixed use developments where operating times and peak use times vary. The proposed development presented the opportunity for shared parking due to the diverse mix of user groups and staggered peak time of uses envisioned on the site. The user group studies included an analysis of time of use over weekdays and weekends. For analysis purposes, the format of the Schedule of Shared Parking Calculations (Scottsdale Zoning Ordinance) was used with a more stringent time interval to determine shared parking requirements on the site. The schedule of minimum on-site parking requirements per Scottsdale Zoning Ordinance was used to determine minimum parking requirements for each user group. Table 5.4 summarizes the overall parking requirements for all the user groups and the reduction in parking requirement achieved using shared parking calculations. Generally, the total number of parking required cannot be reduced by more than 20 percent.

All layout options were accompanied with shared parking studies that specifically addressed the uses proposed on the site and their time of use. User groups with large area and parking requirements limited the placement of other large users on the site. Generally, the parking requirement for the site was high due to recreational activity centers like the Senior Center and multi-generational center, which required almost continuous parking throughout the week. Apart from tuck-under parking, parking structures were generally not considered as a viable option.

SHARED PARKING PERCENTAGES OVER TIME OF DAY

	Cars #	% of Cars during Weekdays						% of Cars during Weekends					
		Morning	Afternoon	Late	Evening	Late	Night	Morning	Afternoon	Late	Evening	Late	Night
		6 - 10am	10am - 2pm	2 - 5pm	5 - 8pm	8 - 12pm	12pm - 6am	6 - 10am	10am - 2pm	2 - 5pm	5 - 8pm	8 - 12pm	12pm - 6am
USER GROUPS													
Senior Center	259	50	100	70	100	30	0	50	100	70	100	30	0
Stagebrush Theater	100	0	30	70	100	100	5	10	30	100	100	100	5
YMCA	100	70	100	100	80	20	5	80	100	100	100	20	0
Restaurant	107	60	100	100	100	70	10	70	100	100	100	100	10
Senior Housing	100	70	70	80	60	100	100	70	70	80	70	100	100
Desert Stages	100	5	10	75	100	100	5	5	25	100	100	100	10
Foundation for the Handicapped	102	100	100	100	5	0	0	0	5	10	0	0	0
Recording for the Blind & Dyslexic	25	100	100	100	5	0	0	0	5	10	0	0	0
League of Women Voters	3	100	100	100	5	0	0	0	5	10	0	0	0
American Cancer Society (Office)	200	100	100	100	5	0	0	0	5	10	0	0	0
ACS Hope Lodge (50 Units)	50	70	70	80	60	100	100	70	70	80	70	100	100
Police Beat	3	100	100	100	5	0	0	0	5	10	0	0	0
Citizen Service Center	8	100	100	100	5	0	0	0	5	10	0	0	0
Offices	48	100	100	100	5	0	0	0	5	10	0	0	0
Retail	32	50	100	75	80	5	0	0	100	75	80	30	0
Pet Adoption Center	28	50	100	75	80	5	0	100	90	100	0	0	0
Ville de Marie Academy	64	80	100	100	25	5	0	20	50	30	50	5	0
School for the Arts	337	80	100	100	25	5	0	20	50	30	50	5	0

SHARED PARKING NUMBERS OVER TIME OF DAY

	Cars #	Number of Cars during Weekdays						Number of Cars during Weekends					
		Morning	Afternoon	Late	Evening	Late	Night	Morning	Afternoon	Late	Evening	Late	Night
		6 - 10am	10am - 2pm	2 - 5pm	5 - 8pm	8 - 12pm	12pm - 6am	6 - 10am	10am - 2pm	2 - 5pm	5 - 8pm	8 - 12pm	12pm - 6am
USER GROUPS													
Senior Center	259	130	259	181	259	78	0	130	259	181	259	78	0
Stagebrush Theater	100	0	30	70	100	100	5	10	30	100	100	100	5
YMCA	100	70	100	100	80	20	5	80	100	100	100	20	0
Restaurant	107	64	107	75	107	75	11	75	107	86	107	107	11
Senior Housing	100	70	70	80	60	100	100	70	70	80	70	100	100
Desert Stages	100	5	10	75	100	100	5	5	25	100	100	100	10
Foundation for the Handicapped	102	102	102	102	5	0	0	0	5	10	0	0	0
Recording for the Blind & Dyslexic	25	25	25	25	1	0	0	0	1	3	0	0	0
League of Women Voters	3	3	3	3	0	0	0	0	0	0	0	0	0
American Cancer Society (Office)	200	200	200	200	10	0	0	0	10	20	0	0	0
ACS Hope Lodge (50 Units)	50	35	35	40	30	50	50	35	35	40	35	50	50
Police Beat	3	3	3	3	0	0	0	0	0	0	0	0	0
Citizen Service Center	8	8	8	8	0	0	0	0	0	1	0	0	0
Offices	48	48	48	48	2	0	0	0	2	5	0	0	0
Retail	32	16	32	32	26	2	0	0	32	24	26	10	0
Pet Adoption Center	28	14	28	21	22	1	0	28	25	28	0	0	0
Ville de Marie Academy	64	51	64	64	16	3	0	13	32	19	32	3	0
School for the Arts	337	270	337	337	84	17	0	67	169	101	169	17	0

Table 5.4 Shared Parking Analysis

6 MASTER PLAN DEVELOPMENT

6.1 Initial Site Layout Studies

As part of the Master Plan development, initial site layout studies were conducted that took into account the user operational requirements and their use compatibility. The user group program requirements provided a means to determine the placement on the site. For instance:

- User groups that required frontage and a high visibility to McDowell Road were placed with the view corridor towards McDowell Road.
- Senior users preferred to be away from high traffic areas but needed easy access from McDowell Road or Granite Reef Road.
- Both 82nd Place and Granite Reef Road intersection with McDowell Road were signalized and provided easy access to the rear portions of the site.
- User groups that indicated a need for open spaces were organized around interior semi-public open spaces which could be shared.
- Compatible users that indicated a possibility for mutual sharing of spaces, such as multi-purpose rooms, cafeteria and theater space, where located in close proximity to each other.
- Common pedestrian spaces were provided between buildings to facilitate pedestrian safety, easy access and enhance the shared usability of the site.
- Common pedestrian spaces included shaded walkways and paseos between buildings, enhanced with landscaping and seating areas.
- Internalized plaza areas provided opportunities for hosting neighborhood events like a farmers market, a small concert or a social gathering event.

6.2 General Design Criteria

Apart from user requirements, the criteria for site layout took into consideration several factors. To create a pedestrian-friendly and a safe environment, parking and vehicular traffic were limited to the periphery of the site. Such an arrangement also maximized on shared facilities and open space.

The basic planning principles for the site included:

- Campus environment with covered walkways and interior garden spaces.
- Landscaped street frontage and landscaped parking lot area.
- Pedestrian-friendly and accessible environment.
- Pedestrian linkages to neighborhood at Granite Reef Road, Elm Drive and 82nd Place.
- Landscaped, pedestrian only access into the neighborhood at Elm Drive.
- Shared parking among uses.
- Primary entrances on McDowell and Granite Reef Roads.
- Secondary entrance on 82nd Place.
- Entry monument area towards the neighborhood on Granite Reef Road.
- Bus stop to remain on McDowell Road.
- Trolley/dial a ride/taxi drop off for Senior Center.

- Alley treatment to use low screen wall and landscape screening.
- Current City design guidelines will be used.

Since the total acreage requirement of interested user groups far exceeded the capacity of the site, numerous layouts with a combination of compatible user groups were considered. As the possibilities for site placement were many and varied, it was essential to come up with efficient solutions for site configuration that would not only satisfy planning parameters, but also create a site character in keeping with the objectives of the Master Plan.

Appendix E presents the initial layout studies that were carried out. Each option presents the area provided for parking, roadways, open space and building footprint. FAR calculations and shared parking studies were also included.

Some of the key inferences made as a result of the preliminary layout studies include:

- Acceptable building height to parking space ratios.
- Tiered height building masses to minimize neighborhood residential impact.
- Compatible user combinations.
- Open space relationships.
- Acceptable floor area ratios.
- Main site entry alignment and service access.
- Parking configurations.
- Interior road acreage.
- General site parcelization.

From initial user group evaluation studies, it was apparent that all user groups could not be included on the site due to space restrictions. Of the total site acreage available, 30 percent of the site was dedicated to the Senior Center and Stagebrush Theater, 10 percent consisted of interior circulation requirements and 30 percent incorporated neighborhood desired user groups. The remaining 30 percent of the site would not be enough to accommodate the rest of the user groups, which would require almost 61 percent of the site.

Table 6.1 summarizes the site availability with respect to user group requirements, and presents the list of users from which only a limited portion could be included onto the site.

USER GROUP ANALYSIS

USE	STORIES	BUILDING AREA	BUILDING FOOTPRINT (Includes Open Space Requirement)	PARKING REQUIREMENT	LAND AREA (Sq Ft)	LAND AREA (Acres)	% of Site	Remarks
USERGROUPS OBLIGATED								
Senior Center	1	41140	41540	259	127010	2.9	22%	Seniors' City run facility)
Stagebrush Theater	1	13280	13280	100	46280	1.1	8%	(Adult & Children community theater group)
						4.0	30%	
NEIGHBORHOOD REQUESTED USER GROUPS								
Family Restaurant	1	5000	6500	107	41810	1.0	7%	(Red Robin, Randy's, Luby's etc. - medium priced family restaurant)
Neighborhood Retail/Office	1 to 2	25000	25000	100	58000	1.3	10%	(Video, Cleaners, Mailbox etc.,)
Citizens Service Center	1	2000	2000	10	5300	0.1	1%	(City Services)
Multigenerational Center	1 to 2	20000	30000	100	63000	1.4	11%	(YMCA, Boys & Girls Club etc., City owned & sponsored)
						3.9	29%	
POTENTIAL USER GROUPS ON REMAINING SITE								
Senior Housing - 100units	2 to 3	75000	37500	100	70500	3.0	23%	(American Cancer Society)
Non Profit Headquarters/ School	2 to 3	90000	47500	250	130000	3.0	23%	(Assuming one school)
Schools	1 to 2	35000	55000	65	76450	1.8	13%	(Could be 2nd story over retail)
Non Profits (Small)		8000	8000	40	21200	0.5	4%	(Foundation for the Handicapped)
Non Profits (Large)		27000	27750	100	60750	1.4	11%	
						9.6	73%	
TOTAL		341420		1231	700300	16.1		

ACREAGE SUMMARY

User Groups Obligated to Include	4
Neighborhood Requested	3.9
Internal Circulation (10%)	1.3
Undetermined' Site Area	3.91
Total Site Area	13.11ac

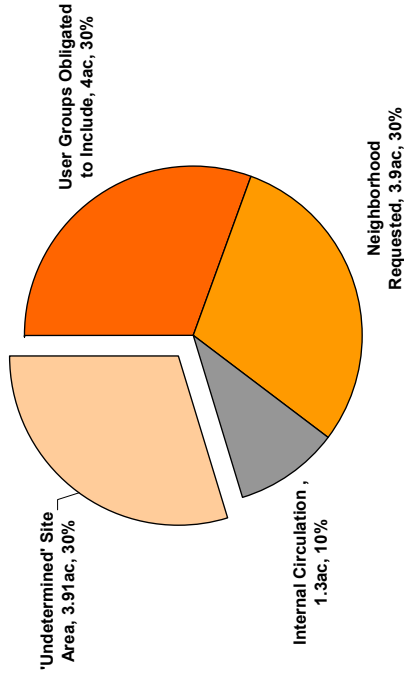


Table 6.1 Site Availability Analysis

Council direction was required to establish a final list of users, which would narrow down the layout options and facilitate further financial and design analysis of the proposed development. The determination of valid criteria for excluding user groups was influenced by three major factors.

- Compatibility and synergy with dedicated user groups (Senior Center and Stagebrush Theater) and other possible users on the site.
- Community and neighborhood acceptance.
- Current market conditions and the marketability of various types of uses, and the required minimum square footage of these uses on the site.

To facilitate Council's decision to limit the number of user groups on the site, earlier user evaluation criteria were used to determine the user groups that best fulfilled the goals of the Master Plan.

The following is a description of the user groups with respect to the evaluation criteria in the order of their ranking and their compatibility with City uses.

1. *YMCA (multi-generational activity center)*
 - Serves a broad range of age groups to the immediate neighborhood.
 - Ability to offer a broad range of programs that are compatible with other users.
 - Ability to build their own facility and possibly purchase land.
2. *Commercial / Office (dry cleaners, deli, mailbox etc)*
 - Ability to provide a broad range of services to the immediate neighborhood.
 - Ability to provide office tenants to support Senior Housing clients.
 - Ability to provide office space to smaller non-profit organizations.
 - Ability to pay for land and construct the facility.
3. *League of Women Voters (non-profit office use)*
 - Volunteer based, non-profit offering a citizen benefit to the community.
 - Could utilize volunteer base provided by Senior Center.
 - Ability to pay below-market rent within the commercial and office development.
 - Requires a relatively small office (600 square feet).
4. *Senior Housing (75 –150 units, 2-3 story)*
 - Provides a housing need in the immediate neighborhood and community.
 - Compatible with the Senior Center.
 - Ability to utilize volunteer base that could be provided by Senior Center.
 - Ability to pay for facility and possibly land.
5. *Recording for the Blind and Dyslexic (non-profit office use)*
 - Volunteer based, non-profit offering a citizen benefit to the community.
 - Depend on volunteer base that could be provided by Senior Center.
 - Ability to pay below-market rent within the commercial and office development.

6. *Rio Salado Community College (GED program, classroom use)*
 - Serves the immediate neighborhood and community.
 - Utilizes classroom space that could be provided within office development.
 - Flexibility in site location (could be 2nd story over retail).
7. *Desert Stages Theater (non-profit community based theater)*
 - Community based theater that serves a broad age group (participants and audience).
 - Flexibility in site location and does not require specialty space – can occupy retail space.
 - Ability to utilize volunteer base provided by Senior Center.
 - Ability to provide outdoor performances if space provided.
 - Ability to pay market to below-market rent.
8. *Maricopa County Pet Adoption Center (non-profit pet adoption)*
 - Facility that serves immediate and regional community.
 - Flexibility in site location.
 - Requires an outdoor open space (park like).
 - Ability to build own facility.
9. *Ville De Marie Academy (private Catholic school)*
 - School serves the regional community.
 - Requires a large facility (35,000 square feet) and land area (3-5 acres).
 - Ability to build own facility.
10. *New School for the Arts*
 - School serves the regional community.
 - Requires a large facility (67,000 square feet) and land area (5 acres).
 - Ability to build their facility.
11. *American Cancer Society (regional headquarters and outreach center)*
 - Serves a regional and statewide community.
 - Ability to utilize volunteer base provided by Senior Center.
 - Requires a large facility (90,000 square feet) and land area (4 acres).
 - Ability to build own facility and possibly buy land.
12. *Foundation for the Handicapped (life skill training and employment)*
 - Volunteer based, non-profit offering a citizen benefit to the regional community.
 - Requires a large facility (27,500 square feet).
 - Type of use includes assembly/manufacturing program.
 - Ability to pay below-market rent.

6.3 Preliminary Council Directive

Meetings with the Council and the Mayor were held to present the findings and to obtain their directive on the types of users targeted for the site. Some of the key instructions received during the meetings included:

- Conduct need and financial studies to determine senior housing feasibility on the site.
- Encourage integration with the public transit system.
- Require a certain amount of return on the investment made on the site.
- Evaluate alternative site disposition strategies.
- Amenable to dedicating the site to smaller, non-profit users.
- Evaluate compatibility of non-City users.
- Emphasize community based development.
- Create a point of pride for the neighborhood and City of Scottsdale.
- Revitalize south Scottsdale major artery and surrounding neighborhood residential & commercial uses.

6.4 Preliminary Market Research

Scottsdale is a rapidly growing city (at 6.0 percent annually during the 1990s) in one of the fastest growing metropolitan areas in the country. The Phoenix-Mesa metropolitan area grew 4.4 percent annually during the 1990s, compared to 1.1 percent nationally. Scottsdale is among the highest income cities in the region, with a 2000 median household income of \$57,000, compared to \$43,000 in the Phoenix Metro area.

6.4.1 Demographic Trends

The local 1-mile market area surrounding the site is an older community, with a higher proportion of empty-nesters (55-64 years old) and seniors than the county, a lower proportion of children and teens, a much higher proportion of empty-nester and senior households, and a slightly lower than average median income. The broader 1-3 mile community market has similar characteristics relative to the county, but does have a higher than average share of children and teenagers than the City of Scottsdale as a whole.

The surrounding market can be characterized as a moderate-income community of older residents, who over time are being replaced by young families seeking a relatively affordable home in Scottsdale, a City with an upscale reputation.

Given Scottsdale's and the region's high growth rate – and the site's accessibility to employment centers, proximity to commercial and public services, and location within an established residential community – the site is suitable for multi-family housing. However, community sentiment expressed at community meetings discourages standard rental apartment complexes. The community would like to see the site returned to a community focal point – most likely as a mixed-use development.

6.4.2 Use Demand

There is potential demand for senior housing at the site. In the local one-mile neighborhood market, many are long-time residents living in single-family homes. Demand for senior housing may be relatively strong given the high proportion of households headed by persons 55-64 years old (18%) and 65 years or older (24%), Scottsdale's existing market presence in the senior housing market, and the development of a Senior Center on the site that is two miles from a major medical center.

Within three miles of the site, 44 percent of the seniors are family households (mostly married couples without children at home), 53 percent live alone, 76 percent own their units, and 24 percent rent. Market rate senior housing offers synergies with the planned Senior Center and community theater, on-site retail uses, and some potential office niches. This development type is also more flexible in terms of design, and can be phased to meet demand. Given local market characteristics and the infill site's limitations for providing land-intensive amenities, senior housing would probably be moderate price-point here.

The market for retail uses is more limited given that deed restrictions on the site forbid the traditional anchors for a neighborhood center – a grocery store and a pharmacy. Commercial retail development on the site will have to depend on non-traditional anchors to support the retail, such as the City's Senior Center, a health and fitness club, or a popular family restaurant (which the community desires), and rely on community and personal services and selected specialty retail outlets. Fortunately, the major employer across the street (General Dynamics with 2,900 workers), the high traffic count on McDowell Road (25,800 ADTs), an established residential community adjacent to the site, and the on-site visitors to the planned Senior Center and community theater will help support proposed retail uses at the site.

While the demand for regional office space is relatively weak in today's market, there are particular office market niches that development on the site may serve, such as office space for not-for-profit users, medical services, and community-serving professionals and business services. The ability to add second-story office space to commercial retail buildings and share parking with other uses on site may facilitate the project economics for office space so that rents are affordable to target markets.

6.5 Preliminary Infrastructural Assessment

Proposed development may provide landscape areas, including a potential landscape buffer along the north property line; a paved street midway to the site; and several developed parcels that will likely increase the time of concentration, lower the runoff coefficient and potentially reduce storm water runoff from the site. The possibility of providing on-site storm water storage for this site was discussed, as City staff is looking for a means to decrease runoff to the Granite Reef Wash. It was decided that on-site storm water storage will not be required since each of the neighborhood plans being considered would decrease storm water runoff from the site. Also, due to the proposed parcel layout and parking requirements, a storage basin sizeable enough to affect the water surface elevation in the Granite Reef Wash is not reasonable. According to Bill Erickson, City of Scottsdale Flood Plain Administrator, no flood issues have been reported in the immediate neighborhood.

As a condition of development for this project, the City may request that +/-550 feet of new water main be constructed in Pima Road between Willetta Street and McDowell Road. The existing system is currently being evaluated and no decision has been made regarding completion of a looped water system.

Upgrades to the existing water system by others may affect timing and sequencing of this project. If General Dynamics increases usage, City staff will require verification of

pressure for the existing water system in Hayden Road from Oak Street to McDowell Road. Depending on results, the City may require upgrades to that portion of the existing system. According to City staff, this is not high priority.

City staff is currently evaluating the existing water and sanitary sewer systems. The sanitary sewer system will be monitored beginning in mid-April 2002. City staff anticipates the results of system capacity to be available in the future.

At this time, the proposed uses for the site present no apparent capacity problems. According to City staff, the existing water and sanitary sewer systems are in good working condition. A detailed infrastructure assessment is included in the Appendix.

6.6 Preliminary Development Options

Based on the targeted users identified during preliminary discussions with the Council, the neighborhood and members of the development community, three preliminary development options were prepared. Apart from the City dedicated users, the target uses include retail, restaurant, office, housing and smaller non-profits.

The scenarios presented different combinations of users that were compatible and provided synergy for each other and the surrounding community. The marketability of the target users was also analyzed to determine the levels of financial return the City would gain. The three options were used for further financial analysis to determine the market-based need for the proposed uses and the minimum area requirements that would support the use profitably. Preliminary utility cost estimates were also conducted along with an assessment of the impact of development on the existing utility capacity. The preliminary utility cost estimates are included in Appendix F.

A further objective of the development options was to identify distinct site characters that would distinguish the proposed development and set it apart as a fitting destination for the residents of Scottsdale. Entry articulation, building massing, interior open space hierarchy and landscape treatments all contribute to identify the development as unique and special.

6.7 Option 1

In the Option 1 layout, the buildings were clustered to create a pedestrian friendly space that was visible and accessible to all users (Figure 6.1). The campus type layout of Option 1 included the Senior Center, senior housing, retail, restaurant, Stagebrush Theater and a pet center. A decorative paved drop off point partially extends into the pedestrian court. The pedestrian drop off point enhances and articulates the entry to the site. The restaurant, retail and multi-generational center have frontage onto McDowell Road. Primary entries to the senior housing, Senior Center, retail and multi-generational center occur from the periphery, while linking to the central pedestrian space. Parking surrounds the building cluster, allowing a direct approach to the point of destination. The campus type layout allows the provision of semi-private spaces associated with the theater, restaurant and senior housing. Landscaping, paving and outdoor furniture make the space welcome and usable. A pet center with a dog acquaintance park/office makes use of the awkward western tip of the site.

6.8 Option 2

The Option 2 layout emphasizes the ‘Main Street’ theme (Figure 6.2). Uses include the Senior Center, school/non-profit, office, retail, restaurant and Stagebrush Theater. Active use areas, such as the multi-generational center, retail, restaurant and theater, overlook ‘Main Street’. The plan is configured to provide on-street parking on the main street. The main street forms a pleasant place to walk and links to adjoining residential areas and open spaces. The main street theme promotes street side activity and quick access to store fronts. Parking is provided around the building cluster for direct access to the point of destination. Good connectivity between the parking areas exists across the site. Pedestrian paseos between buildings provide easy access across the campus. An open play area associated with the school is a distinct feature of this plan.

6.9 Option 3

In the Option 3 layout, the buildings are clustered to create a pedestrian friendly campus that includes the Senior Center, school/non profit, retail, restaurant, Stagebrush Theater and an office block at Granite Reef Road (Figure 6.3). The multi-generational center and Senior Center occur in close proximity to each other to allow for easy access to the pool from the Senior Center. Parking occurs on the periphery. The campus type layout allows the provision of semi-private spaces associated with the theater, restaurant and senior housing. Landscaping, paving and outdoor furniture make the space welcome and usable.

PROGRAM CHART

OPTION 1				
PARCEL	USER GROUPS	AREA (SqFt)	PARCEL (ac)	PARKING
1	Senior Center	41,140	3.2	196
2	Senior Housing (134 Units)	88,426	3.3	111
3	Multi-generational Center	20,000	2.9	180
4	Stagebrush Theater	13,000	0.9	31
5	Retail / Office / Restaurant	30,995	2.8	92
		193,561	13.1	610

Note - Senior Housing at 30 units/ ac.
30% Common Area & 750 SqFt/ unit.

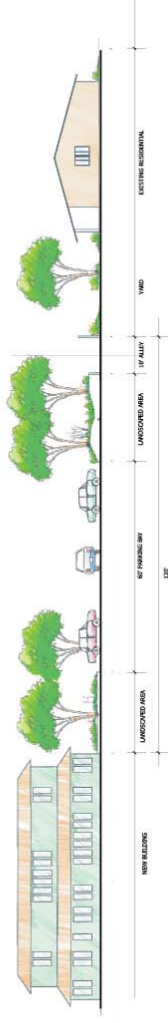


STORIES



PLAN VIEW

CHARACTER



SECTION 1-1

JUNE 24, 2002

Figure 6.1 Conceptual Site Master Planning – Option 1



Figure 6.1 Conceptual Site Master Planning– Option 2



CHARACTER



SCALE 1:50

PLAN VIEW

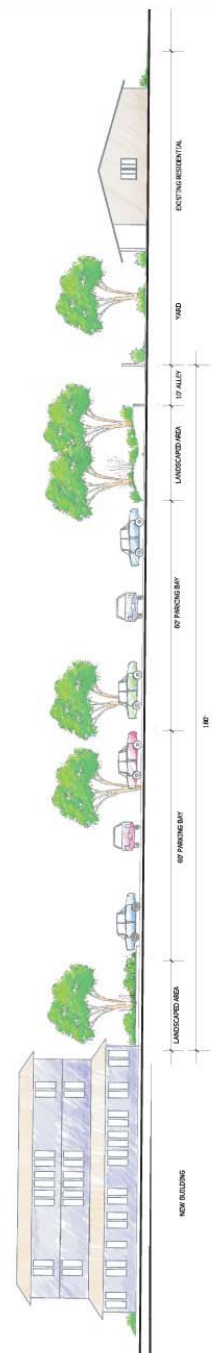


STORIES

PROGRAM CHART OPTION 3

PARCEL	USER GROUPS	AREA (SqFt)	PARCEL (ac)	PARKING
1	Senior Center	41,140	4.0	230
2	Senior Housing (87 Units)	88,426	2.9	135
3	Multi-generational Center	20,000	2.5	118
4	Stagebrush Theater	13,000	1.3	45
5	Retail / Office / Restaurant	49,300	2.4	105
			13.1	633

Note - Senior Housing at 30 units/ ac.
30% Common Area & 750 SqFt/ unit.



SECTION 3-3

Figure 6.1 Conceptual Site Master Planning – Option 3

7 2002 COMMUNITY/COUNCIL INPUT

As a part of the ongoing collaboration with the surrounding community to determine their views on the proposed development, several community meetings were held in the neighborhood. The first meeting was held with the immediate neighbors of the development, and the second and third meetings were open houses held at nearby community locations. Included in the Addendum is a comprehensive list of the comments received during the meetings. They are generally summarized below.

May 2002

A neighborhood meeting was held with residents immediately adjacent to the site to obtain their views on the development. Around 30 people attended the meeting. The presentation focused on several items, which included:

- Alley treatments.
- Building heights and sight lines.
- Site character.
- Pedestrian linkage to the proposed development.
- Land uses proposed on the site.
- Interim use of the site.

Generally, the citizens preferred maintaining the alley, but without a high wall dividing the two properties. Figure 7.1 shows the conceptual site section with respect to the old Smitty's Store, and Figure 7.2 shows different alley options. A low wall/green buffer was preferred as boundary demarcation. Three-story buildings were strongly opposed. The citizens generally favored a pedestrian connection to the adjoining neighborhood through Elm Drive. The multi-generational center was strongly favored. Housing (condos/rentals) was strongly opposed at this meeting.

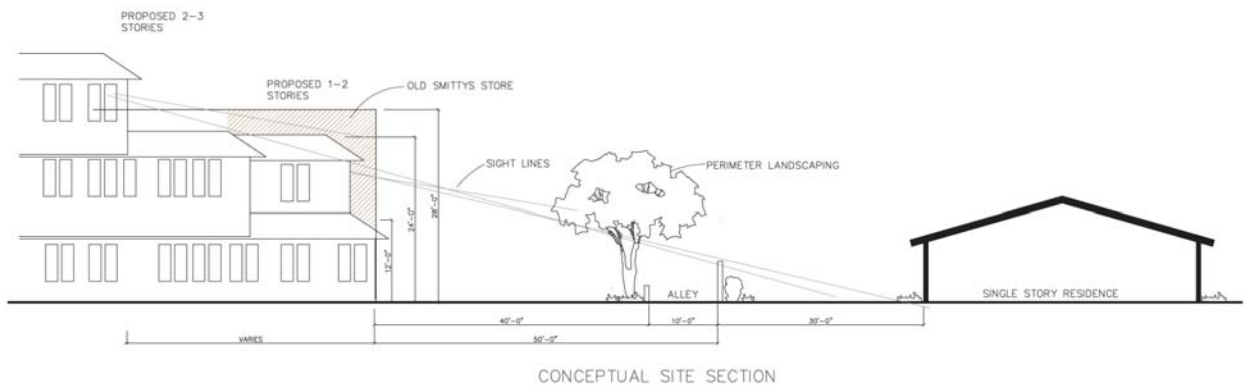


Figure 7.1 Preliminary Site Section

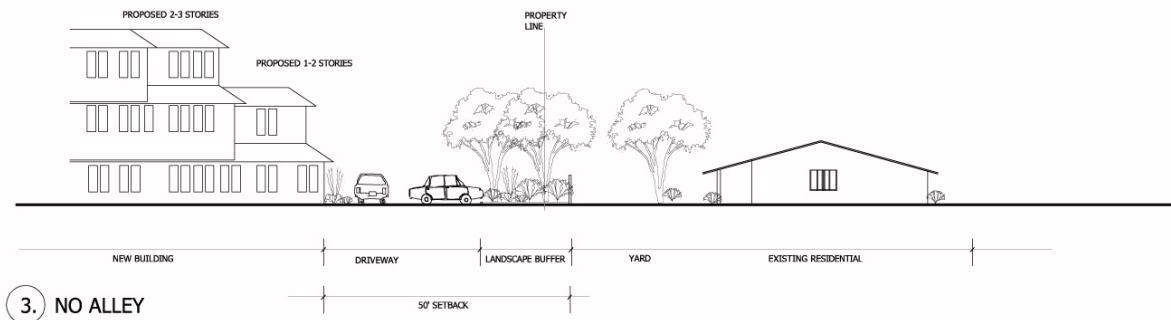
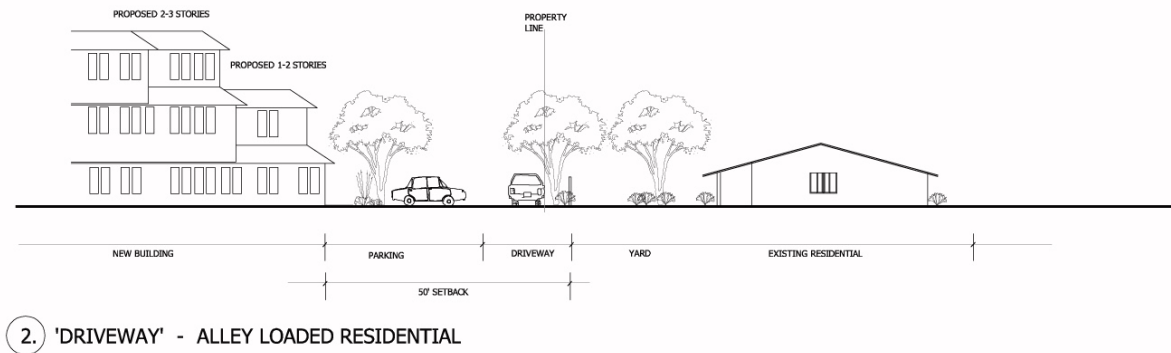
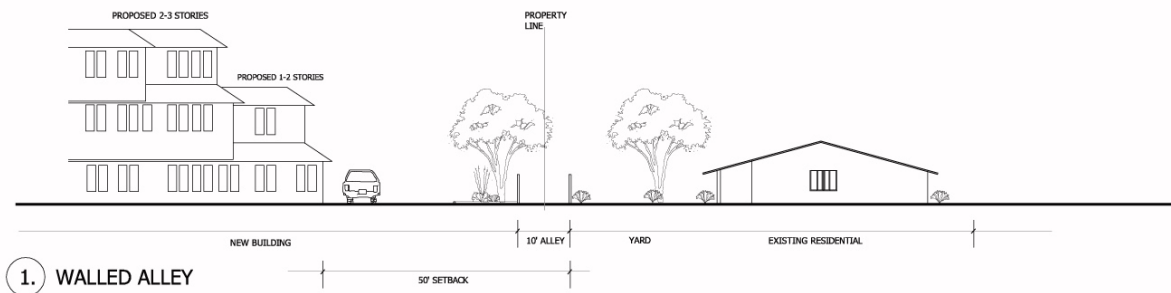


Figure 7.2 Alley Treatments Options

June 2002

Two open house meetings were held in the nearby Hohokam High School and El Dorado Park on the sixth and ninth of June respectively. Around 225 people attended the meetings. Generally, the predominant age group of the attendees was above 60 years.

The items presented at the open houses included:

- Three preliminary options developed as part of the master planning process.
- A description of the findings to date by the Master Planning Team.
- A list of all the site uses that had been agreed upon by the Council and supported by the neighborhood.
- A list of other possible users.
- A summary of the basic design principles.
- The criteria for evaluating the different users to inform the public of the decision making process.

During the open house held on the first day, visitors were informally addressed by Council Members David Ortega, Bob Littlefield and Cynthia Lucas, followed by a brief question and answer session with Laurel Edgar from the Economic Vitality Department of the City of Scottsdale.

7.1 Public Comments

The public comments obtained at the open house meetings are generally summarized below. A compilation of all the feedback received during the meetings is included in the Addendum.

Option 1

Generally, the public support for Option 1 was very strong. The campus type layout of Option 1 included the Senior Center, senior housing, retail, restaurant, Stagebrush Theater and a pet center. It provided a centrally organized, pedestrian-friendly space visible and accessible to all the users. Overall there was general acceptance for the mix of users and the sizes proposed. The pet center and multi-generational center received mixed, though generally supportive reactions.

Option 2

Option 2 included the Senior Center, school/non-profit, retail, restaurant and Stagebrush Theater. The layout emphasizes the 'Main Street' theme. Active use areas, such as the multi-generational and theater, overlook 'Main Street' where on-street parking for quick access to store fronts is provided. Option 2 was not well received, as school use was opposed to a large extent.

Option 3

Option 3 included the Senior Center, school/non-profit, retail, restaurant, Stagebrush Theater and an office block at Granite Reef Road. In this layout, the buildings are clustered to create a pedestrian-friendly campus. The multi-generational center and Senior Center occur in close proximity to allow easy access to the pool and other activity areas. The mix of uses in Option 3 were fairly well supported.

Other comments included:

- Strong desire for a sit-down family style restaurant (Luby's, Red Robin, Randy's)
- Restricting building height to no more than two stories.
- Integration with the public transit system.
- Provide adequate shaded parking areas.
- Support for environmentally responsive development.
- General support for age restricted housing for seniors.

7.2 Council Presentations

Several Council presentations were made to solicit public testimony and obtain approval for successive phases of the Master Plan development.

May 2002

Three preliminary options were presented to the Council, with a detailed overview of the benefits and drawbacks of each. Council direction was sought regarding the preferred option to further evaluate the financial viability and preliminary costing of the development.

July 2002

The final conceptual preliminary Master Plan was presented to the Council along with key development parameters that would facilitate the decision making process. These included land use and the financial and development parameters that influenced the development strategy of the site.

The final PowerPoint presentation made to the Council is included in Appendix G. Refer to the Addendum for additional presentations, Council Action Reports and meeting minutes.

8 MARKET OVERVIEW

Following is a market overview of three distinct land use types relevant to the revitalization effort at the Smitty's site in south Scottsdale, Arizona. The two markets analyzed are small scale medical office space and neighborhood-oriented retail. Since the potential exists for a restaurant anchored retail center, a discussion of franchise agreements, building costs, and building size for various family style national chain restaurants is also included.

8.1 Senior Housing

Table 8.1 on the following page presents characteristics of selected existing senior housing projects in Scottsdale. The projects surveyed included more than 2,000 assisted and independent living units. Monthly rents vary widely depending on the type of service, from 30 percent of adjusted gross income for subsidized independent living units to \$4,500 for full care assisted living units. Numerous for-sale condominiums, town homes and patio homes also exist in Scottsdale. Many of these are age restricted and range from \$60,000 to \$130,000 in cost.

8.2 Neighborhood Retail Centers

Since deed restrictions preclude a grocery store or drug store anchor at the Smitty's site, the focus is on small-scale retail centers which are not anchored by either of these uses. However, restaurant anchors are a possible (and likely desirable) anchor at the site. In order to better understand current retail market dynamics, comparable retail centers were inventoried in the area. Since the majority of new retail growth over the past several years has occurred in the north Scottsdale area, it is important to note that comparable properties located in south Scottsdale are several years old. As a result, a few newer properties located in north Scottsdale were also included within the analysis.

Table 8.2 highlights retail rents and vacancy rates in the northeast quadrant of the Phoenix/Scottsdale market by type of center and by age. While the northeast quadrant includes much of south Scottsdale, it also includes the higher rent properties located to the north (Figure 8.2). Nevertheless, it does provide some overall parameters for leasing rates in the area. As shown, the rent premium for newer space currently averages about \$2 per square foot. However, the relatively high vacancy rate in the recent space category may imply that there has been some overbuilding of retail space within the northeast quadrant. The strip/specialty category, which is most applicable for the type of retail envisioned at the Smitty's site, is currently generating average rents of \$16 per square foot.

Survey of Senior Housing in Scottsdale		Location	Type	Units	Ind.	Asst.	Min. Age	Av. Age	Rental Range		Other Fees	FUNDING
									Low	High		
AZ New Ventura		980 N Granite Reef RD	Fed Bond	131	Y	N	55	n.a.	\$617	\$617	Applic \$30.00 Non-Rfd \$125.00 Pet Dpt \$300.00 Pet Rent, \$200.00	Fed Bond
AZ Retirement Home of Scottsdale I		7310 E Palm LN	HUD	46	Y	N		n.a.	30% AGI	30% AGI		HUD/Sec8
AZ Retirement Home of Scottsdale II		7312 E Palm LN	HUD	46	Y	N	62, or disabled	n.a.	30% AGI	30% AGI	Pet Fee, \$200	HUD/Sec8
Hacienda de Los Arcos		7529 E Culver St # 501	Rental	121	Y	N	62, or disabled	75	30% AGI	\$416	1 mo security, Pet deposit \$200	HUD/Sec8 and MKT Rate
Scottsdale Royale RC		3620 N Miller RD	Rental	62	Y	N	n.a.	79	\$800	\$1,400	Deposit \$500	Private
The Springs		3212 N Miller Rd	Rental	135	Y	N	55	78	\$1,765	\$2,140	Admin \$200 Sec Dep \$600	Private
Westminster Village		12000 N 90th ST	Lifecare	250	Y	N	62	n.a.	\$1,445	\$2,450	\$77,000-\$181,000 Capitalized payment	
Classic Residence		7501 E Thompson Peak PKWY	Lifecare	260	Y	N	55	n.a.	\$1,549	\$2,469	\$140,000-\$387,000 Capitalized Payment	
Sierra Pointe		14500 N Frank Lloyd Wright BLVD	Rental	216	Y	Y	62	n.a.	\$2,100	\$4,350	none	
Villa Ocotillo		3327 N Civic Center Plaza	Rental	102	Y	Y	n.a.	n.a.	\$1,200	\$2,100	\$350.00 dep	
The Manors of Scottsdale		9160 E Desert Cove	Rental/Ownership				n.a.	n.a.				
The Forum Pueblo Norte		7090 E Meccal ST	Lifecare, Rental	296	Y	Y	62	80				Private MediCare

Table 8.1 Survey of Senior Housing in Scottsdale

	Total <u>Sq Ft</u>	Total % <u>Vacant</u>	Median <u>Asking Rent</u>
Regional	3,170,831	15.9%	\$30.00
Community	7,371,244	7.3%	\$16.00
Neighborhood	6,117,022	9.6%	\$18.00
Strip/Specialty	2,675,923	9.0%	\$16.00
New	2,365,653	16.1%	--
Recent	1,176,988	16.8%	\$20.00
Old	15,792,379	8.2%	\$18.00
<i>Definitions:</i>			
<i>Regional:</i>	Has two or more department stores equal to or greater than 100,000 square feet.		
<i>Community:</i>	Includes a discount department store or a junior department store and draws customers from outside the local area.		
<i>Neighborhood:</i>	Includes a drug and/or grocery store, provides for daily living needs of area.		
<i>Strip/Specialty</i>	Usually has no anchor. Will sometimes be united by a general theme.		
<i>New</i>	First available for occupancy within the past four quarters.		
<i>Recent</i>	First available for occupancy within the past five to twelve quarters.		
<i>Old</i>	Available for occupancy for more than twelve quarters.		
<i>Source: Arizona Real Estate Center/PricewaterhouseCoopers, Economics Research Associates</i>			

Table 8.2 Existing Retail Space – Northeast Quadrant, by Type and Age

Table 8.3 highlights eight retail properties located in the Scottsdale area. Two anchored community retail centers were included for comparison. Unanchored center implies a strip center, in some cases anchored by a restaurant.

Existing Retail Space - Scottsdale Area									
Center Name/Location	Type of Center	Representative Tenants	Year First Available	Total Sq Ft	Percent Occupied	Change Occupancy Previous Year	Typical Rent 1/	Comments	
South Scottsdale									
Plaza del Rio SEC Miller Rd and McDowell Rd	Neighborhood strip, no anchor	Nail salon, Pizza, Chiropractor, Fitness, Travel agency, Spanish Food	1984	32,200	98%	0	\$12.00	Maintained fairly well, Denny's located on front pad site	
Scottsdale East Plaza SEC Hayden Road and Roosevelt Street	Neighborhood strip, no anchor	Kwik Mart, Bar, Pet boarding, Health clinic	1971	38,000	89%	-4,229	\$14.00	Very old center, weak tenants	
Papago Plaza SWC Scottsdale Road/McDowell Road	Neighborhood strip, no anchor	Flowers, Piano, Spa, Police Beat, Small Theater, Tanning, City of Scottsdale	1966	113,000	69%	0	\$12.00	some unique tenants	
Scottsdale Plaza SWC Scottsdale Rd and Oak St	Neighborhood strip, no anchor		1962	36,000	98%	1,047	\$12.00		
Unnamed NEC 77th St and McDowell Road	Anchored community center	Fry's, Greenbacks	1980	105,855	93%	0	\$14.00		
Los Arcos Crossing Center SEC 75th St and McDowell	Anchored community center	Bashas, LA Fitness, Osco Drug, School for the Arts	1972	125,174	93%	0	\$12.00		
North Scottsdale									
Acacia Creek Village SWC Scottsdale Rd and Goldust Ave	Neighborhood strip, no anchor	Jeweler, Cigar shop, Yoga, Spa	1995	29,000	74%	0	\$20.00	Two restaurant anchors along frontage - California Pizza Kitchen, Sam's Café	
Cactus Flower Center SWC Scottsdale Road and Bell Road	Neighborhood strip, no anchor		1999	44,700	97%	0	\$25.00		
1/ Assumes triple net for rents.									
Source: Arizona Real Estate Center/PricewaterhouseCoopers, Economics Research Associates									

Table 8.3 Existing Retail Space – Scottsdale Area

As shown, the older retail properties located in the south typically rent for \$12 to \$14 per square foot (net). Although many of the properties are 100 percent occupied (or close to it), some suffer from weak tenants and buildings in need of updating:

- Plaza del Rio, which is located just west of the site along McDowell Road, charges tenants rents of \$12.00 per square foot. Although built in the 1980's, the center is fairly well maintained and fully leased. Denny's and Peter Pan Pizza are located along the street frontage. The other uses are primarily service-oriented, although a few local retailers such as a skateboard shop are also leasing space at the center.
- Scottsdale East Plaza, which is located at Hayden Road and Roosevelt Street (south of the site) was built in the early 1970's. A religious book store and an oriental restaurant are some of the main tenants. Tenants are weak, although rents are slightly higher than Plaza del Rio at \$14.00 per square foot. The Scottsdale East Plaza was purchased recently and the new owner is currently in the process of renovating the building.
- Papago Plaza is a larger retail center (113,000 square feet) located at Scottsdale and McDowell roads. The center is currently about 70 percent occupied and rents are \$12.00 per square foot. Although older, some unique tenants have located at Papago Plaza, included a small theater, a beer brewing store, and a spa. The center is likely too large given the number of retail centers located along Scottsdale Road.

The properties highlighted in north Scottsdale along Scottsdale Road obviously command a higher rent given the fact that they were recently constructed. Both of the properties shown generate rents of \$20.00+ per square foot. Acacia Creek Village, which is located along Scottsdale Road at Goldust Avenue, was built in the mid 1990's, although it appears as if the restaurant anchors may have been built more recently. Restaurants located at the center include California Pizza Kitchen, Sam's Café (both located as separate buildings along Scottsdale Road) and Jetz Restaurant, which just recently opened.

8.3 Medical Office Space

In order to understand market dynamics with respect to medical office space in the south Scottsdale market, selected medical office facilities were analyzed. Comparable properties were identified in south Scottsdale as well as in the area near Osborn Road, in the vicinity of Scottsdale Memorial Hospital (Figure 8.1). Similar to the retail market, properties located south of Thomas Road are generally older, and thus rents are generally lower.

Table 8.4 highlights eleven medical office properties in Scottsdale. This is a limited sample of medical office buildings in the area and does not includes those buildings which are 100 percent leased. It does, nevertheless, provide some insights with respect to the local market.

Existing Medical Office Space						
Name/Address	Year Built	Typical Floor (sq ft)	Building Size (sq ft)	Asking Rent (per sq ft)	Occupancy	Comments
South Scottsdale						
<i>Unnamed</i> 8417 East McDowell Road	1987	5,186	5,186	\$14.00	71%	One-story, Class C
<i>Unnamed, Building A</i> 1525 North Granite Reef Road	1974	9,123	9,123	\$12.00	0%	One-story, Class C
<i>Los Arcos Plaza</i> 1402 North Miller Road	1976	46,235	46,235	\$14.50	68%	One-story, Class C
<i>Unnamed</i> NEC of Hayden and McDowell	na	na	na	\$12.00	95%+ 900 sq ft vacant	Large, older 2-story medical office complex
<i>Unnamed</i> East side of Hayden, just south of Thomas	2002	1,500 to 7,500	na	\$15.00 to \$17.00	na	Next door to Hayden Family Medical Center
North of Thomas Road						
<i>Scottsdale Medical Pavilion</i> 7331 E. Osborn Drive, just east of Scottsdale Rd	1976	15,000	60,000	\$17.50 to \$18.50 full service	81%	Near Scottsdale Healthcare Osborn, Includes deli shop, Lab
<i>Arcadia Medical Plaza</i> 4840 East Indian School Road	1981	18,926	18,926	\$22.00	96%	One-Story, Class B
<i>Scottsdale Medical Building</i> 3271 North Civic Center Plaza	1984	16,178	16,178	\$19.50	85%	One-Story, Class C
<i>Unnamed, Building B</i> 7281 East Earl Dr	2001	6,400	6,400	\$16.00	0%	Part of four building complex - all same configuration and rental rates
<i>Scottsdale Medical Center</i> 3501 North Scottsdale Road	1984	26,667	80,000	\$21.50	87%	Three-story, Class B office owned by Scottsdale Healthcare Realty Co.
<i>Unnamed</i> 6390 East Thomas Road	1982	11,271	11,271	\$16.00	74%	One-story, Class B
<i>Note: Properties are referenced on attached map.</i>						
<i>Source: Jeremar Corporation, Economics Research Associates</i>						

Table 8.4 Existing Medical Office Space

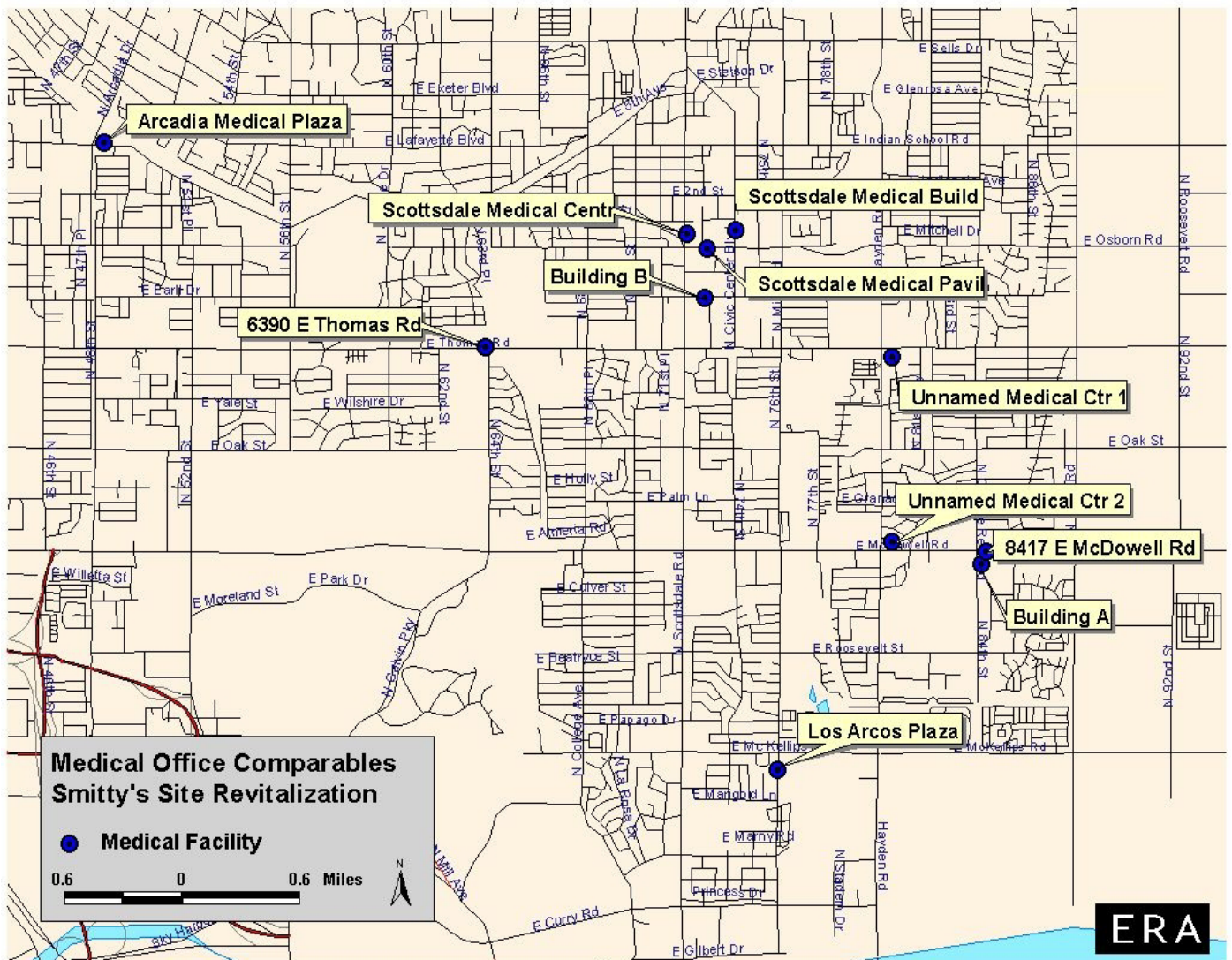


Figure 8.1 Medical Office Comparables

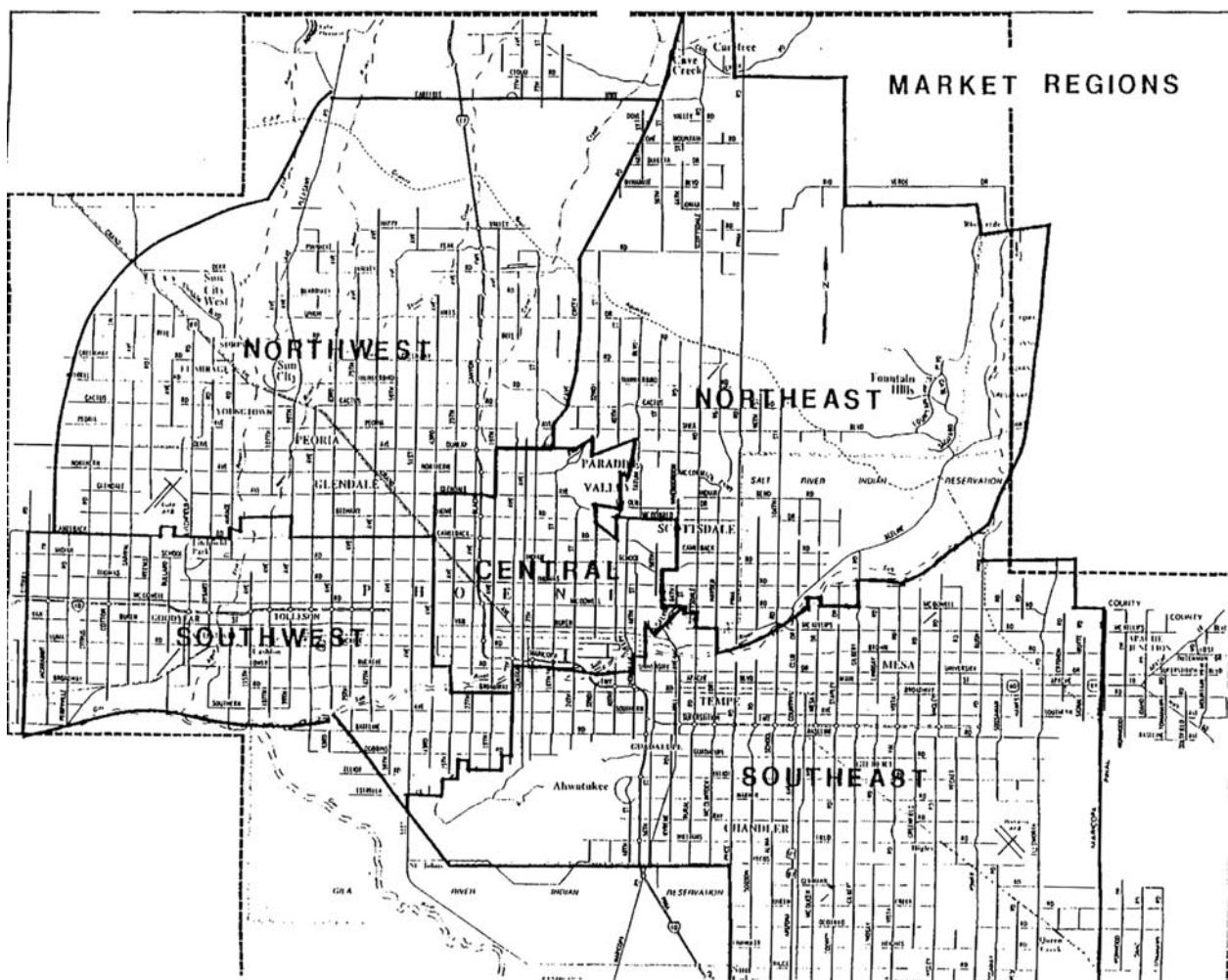


Figure 8.2 Medical Office Space/Market Region Map

In general:

- Rents in the South Scottsdale area range from about \$12.00 to \$14.00 per square foot. This compares to rent levels in the range of \$16.00 to \$22.00 per square foot in those properties located north of Thomas Road. As mentioned, the south Scottsdale properties are generally older and classified as Class C office space.
- A new four-building complex located on East Earll Drive near the Osborn Road facilities is renting for \$16.00 per square foot. Each building includes 6,400 square feet of space.
- Rent levels for a new one-level office complex located on Hayden, just south of Thomas, are in the \$15.00 to \$17.00 per square foot range. Rents will vary based on tenant improvement allowances. The suites are designed in 1,500 to 7,500 square foot configurations.
- As might be expected, the larger medical office facilities are typically located in close proximity to the local hospital.

8.4 Family Style Restaurant Concepts

A sit-down family style restaurant has been included as a potential use at the Smitty's site. It is assumed that a potential restaurant will be moderately priced given more moderate income levels in the surrounding residential area. Although a national chain restaurant is not necessary, national chains tend to provide lower risk, and thus more ease with respect to securing financing.

National chain restaurants such as Chili's and IHOP typically utilize the franchise approach to operating a restaurant. Although the terms may differ, a franchisee typically pays an initial franchise fee as well as royalty fees to the franchisor for the right to operate under the franchise name. The royalty fee is typically a percent of sales generated annually at the restaurant.

Five family style restaurants are highlighted on Table 8.5: IHOP; Shoney's; Chili's; Macaroni Grill; and Friendly's. Although sizes and concepts vary, the typical family style restaurant ranges in size from 4,000 to 7,000+ square feet. Restaurants are continuously experimenting with new formats, thus this range provides a general guideline. As an example, Denny's has introduced the Denny's Classic Diner which requires less space and investment. The Diner is a 105-seat, 3,200 square foot restaurant as opposed to the 160-seat traditional Denny's. Investment is in the \$700,000 range, significantly less than the traditional \$850,000 to \$900,000. Sales are forecast at \$1.6 million, versus \$1.15 million for the average unit volume across all Denny's concepts.

Building costs also vary greatly depending upon fit-up costs, site improvement costs, and so forth. Based on a comparison of six different family style concepts (including Denny's), family style restaurant development costs are generally in the \$300 per square foot range.

Table 8.5

Comparables - Moderate Priced Restaurants

Smitty's Site Revitalization Effort

	IHOP	Shoney's	Chili's	Macaroni Grill	Friendly's
Concept #1					
Restaurant Size (sf)	4,900	NA	4,500	6,800	4,600
No. Seats	176	120	145	250	140
Concept #2					
Restaurant Size (sf)	4,000	NA	5,500	7,600	NA
No. Seats	132	180	215	275	NA
Average Building Costs					
Land	\$536,000	NA	\$600,000	\$1,000,000	Variable
Building	\$770,000	NA	\$1,080,000	\$1,400,000	\$330,000 - \$650,000
Equipment	\$337,000	NA	\$450,000	\$565,000	\$300,000
Other	\$188,000	NA	\$60,000	\$100,000	--
TOTAL	\$1,831,157	NA	\$2,190,240	\$3,065,206	\$919,000 - \$1,576,760 (exclusive of land)
Estimated Average Sales	\$1,710,000	\$1,475,000	NA	NA	\$1,000,000
Average Check	\$6.60	\$6.93	\$10.38	\$13.73	NA
Terms	Restaurant built by IHOP	Leases approx. 15 years in length.	Variable: lessor pays land costs &	Variable: lessor pays land costs &	All costs associated with building
	Acts as landlord to franchisee	Provide for a minimum rent and percentage of sales.	all building costs; company may lease or own the land, building, & equip.	all building costs; company may lease or own the land, building, & equip.	& equipping the restaurant (including land) are responsibility of Franchisee
Initial franchise fee	\$200,000 to \$350,000	Yes	NA	NA	\$35,000
Royalty fee	4.5% of sales	3% - 6% of sales	NA	NA	4% of gross sales
Source: Various restaurants, Economics Research Associates					

As mentioned, term agreements vary widely among national chains. In some cases, the franchisor pays for construction of the building and acts as landlord. In other cases, costs associated with the building and equipment are the responsibility of the franchisee. Site and market requirements for family style restaurants do not typically differ significantly. Following are some criteria for IHOP and Friendly's franchise operations:

IHOP

- Population requirements of 25,000 to 50,000 within three miles and 80,000 to 150,000 within five miles.
- Average daily traffic counts of 28,000+.
- Average daily freeway traffic counts of 60,000+.
- Density of retail and office within one mile of the site.
- Approximately 30,000 to 40,000 square feet of space for stand alone or 10,000 to 20,000 square feet if pad is part of a shopping center.
- 150 foot minimum frontage
- 300 feet deep
- 50 to 70 parking spaces

Friendly's

- Property requirement of approximately 45,000 square feet.
- Average daily traffic counts of 20,000 to 30,000 cars.
- Trade area population of 30,000 to 50,000 (trade area not defined).

9 CONCLUSIONS

The recommended Master Plan (Figure 9.1) is the result of extensive input from the citizens of Scottsdale. Through public direction and the direction of City Council, the Master Plan is focused on a mixed-use development that provides amenities, services and a gathering place for the community. The proposed Senior Center represents the anchor use for the property and the City's initial reinvestment in the community.

The mixed use development proposed on the site is a representation of the conclusions that evolved out of the master planning process. Potential user groups that showed interest in being located on the site far exceeded the available area. Key criteria that influenced the development include the following:

- Compatibility with the Senior Center and Stagebrush Theater, dedicated users of the site.
- Ability to provide synergy for the local community.
- The establishment of a development that was not only compatible with existing City uses but also well supported by the neighborhood.
- Financial feasibility of the user type and the critical area required to achieve operational viability within the neighborhood.
- Provision of adequate parking for the uses, keeping in mind the restrictions on the building height.
- Supporting users that are beneficial to the local neighborhood and contribute to a pedestrian friendly, community oriented campus.

Based on market demand and a general desire of the City Council members to return approximately 60 percent of the investment back into the Economic Stabilization Fund, the plan balances the community needs with economic realities. The Master Plan recommends neighborhood retail and office, a community theater, age-restricted multi-family residential, medical office and a multi-generational center.

The Master Plan components are further described below:

Senior Center/Police Beat/Community Services: The location of the Senior Center is placed on the northwest corner of the property and directly accessed from 82nd Street. The 82nd Street access would allow Senior Center patrons to enter at McDowell Road at a controlled intersection. The Senior Center will have a drop-off area along with closed-in parking. The Senior Center and associated municipal uses would require up to 41,000 square feet.

Stagebrush Theater: The Stagebrush Theater could be integrated into the private retail/office development to achieve exposure on one of the major arterials and attract patrons. The configuration of the theater assumes that the lobby area occupies space within the retail component. The theater itself, due to the large box configuration, would be concealed behind the retail and second-story office. The current plan of the Stagebrush Theater is a 13,280-square foot building, which requires easy access to a workshop space at the rear by delivery trucks.

Sit-Down Restaurant: The restaurant is an important component of the plan. Public input received from the neighborhood meetings indicated that a family style sit-down restaurant was highly desirable. The restaurant is located within the retail, with maximum exposure along McDowell Road, and requires 4,000–6,000 square feet of space.

Neighborhood Retail: Neighborhood retail is located along McDowell Road in order to provide maximum exposure for businesses. Retail uses envisioned include those services that provide the day-to-day needs for the neighborhood, including dry cleaners, video store, sandwich shop, deli, ice cream shop, shoe repair, hardware, fitness studio, etc. In addition, the retail could provide services to the patrons of the Senior Center, including eye glasses, clothing or a hair salon. The retail could also include spaces for community theater and other non-profit uses. The total retail space provided ranges from 20,000 to 30,000 square feet.

Office: Office use is provided in two locations on the site. The first area is above the retail along McDowell Road. The focus of this office would support the neighborhood as well as the patrons of the Senior Center and the age-restricted housing. The uses could include doctors, dentists, accountants, etc. The office above the retail would focus on business that would benefit from exposure to McDowell Road. The retail in this location could also include non-profit organizations that require office type space.

The second office area is along Granite Reef Road. The office buildings would be stand alone, two-story buildings with garden level parking beneath the building. The focus of the office in this location is to support medical office use, which is in response to the potential need determined with respect to the neighborhood, the patrons of the Senior Center and the residents of the age-restricted housing. Space for office uses ranges between 24,000 and 30,000 square feet.

Multi-Family Housing: A 100-unit multi-family building was proposed as part of the Master Plan. Through extensive input from the neighborhood and due to opposition to unrestricted multi-family housing, the only acceptable three-story product type would be a senior's only or age-restricted product. The residential units could include for-rent or for-sale. The residential component could be planned to take advantage of the amenities provided by the Senior Center. The building could be a two to three-story building as long as it provides an adequate buffer and/or stepped architecture to reduce the impact on the immediate neighborhood. Area provided for multi-family residential uses ranges between 90,000 to 120,000 square feet.

Multi-Generational Center: A multi-generational center could provide an enormous amenity to the neighborhood and proposed uses for the site. The center is located along McDowell Road to maximize exposure and access. The center could provide fitness, classrooms and swimming programs to the neighborhood, General Dynamics, the Senior Center and any residential component. The area requirement for the multi-generational center will be determined through need based feasibility studies conducted within the neighborhood. Areas will range between 18,000 to 24,000 square feet.

The implementation of the plan will be a partnership between the public and private sector. The City has invested in the community with the purchase of the property, and is continuing that investment through the construction of a new Senior Center. The City has

also committed to the construction of Stagebrush Theater. The combination of these two uses will occupy approximately 4.3 acres of the site. The remaining 8.8 acres will require private development (Figure 9.2). City Council's direction for development of the remainder of the site is to provide private developers the opportunity, through a Request for Proposal format, to evaluate the site and provide development strategies to accomplish the intent of the Master Plan -- establishing a fiscally viable and creative Master Plan that would promote the development of a model campus environment for the community.

MCDOWELL RD & GRANITE REEF PROJECT

USER GROUPS	AREA (SqFt)	PARCEL (ac)	PARKING
Senior Center	41140	4.3	259
Senior Housing (99 Units)	103206	3.6	100
Multi-generational Center/	20000	2.5	95
Non Profit			
Stagebrush Theater	13000	0	75
Retail / Office / Restaurant	54418	2.7	204
	231764	13.1	733

PROGRAM CHART

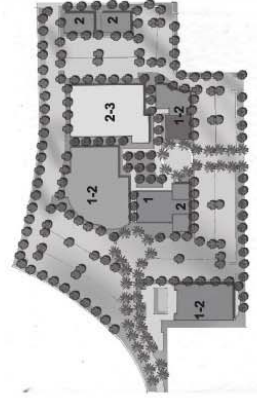


PARCELIZATION



PLAN VIEW

SCALE 1:50



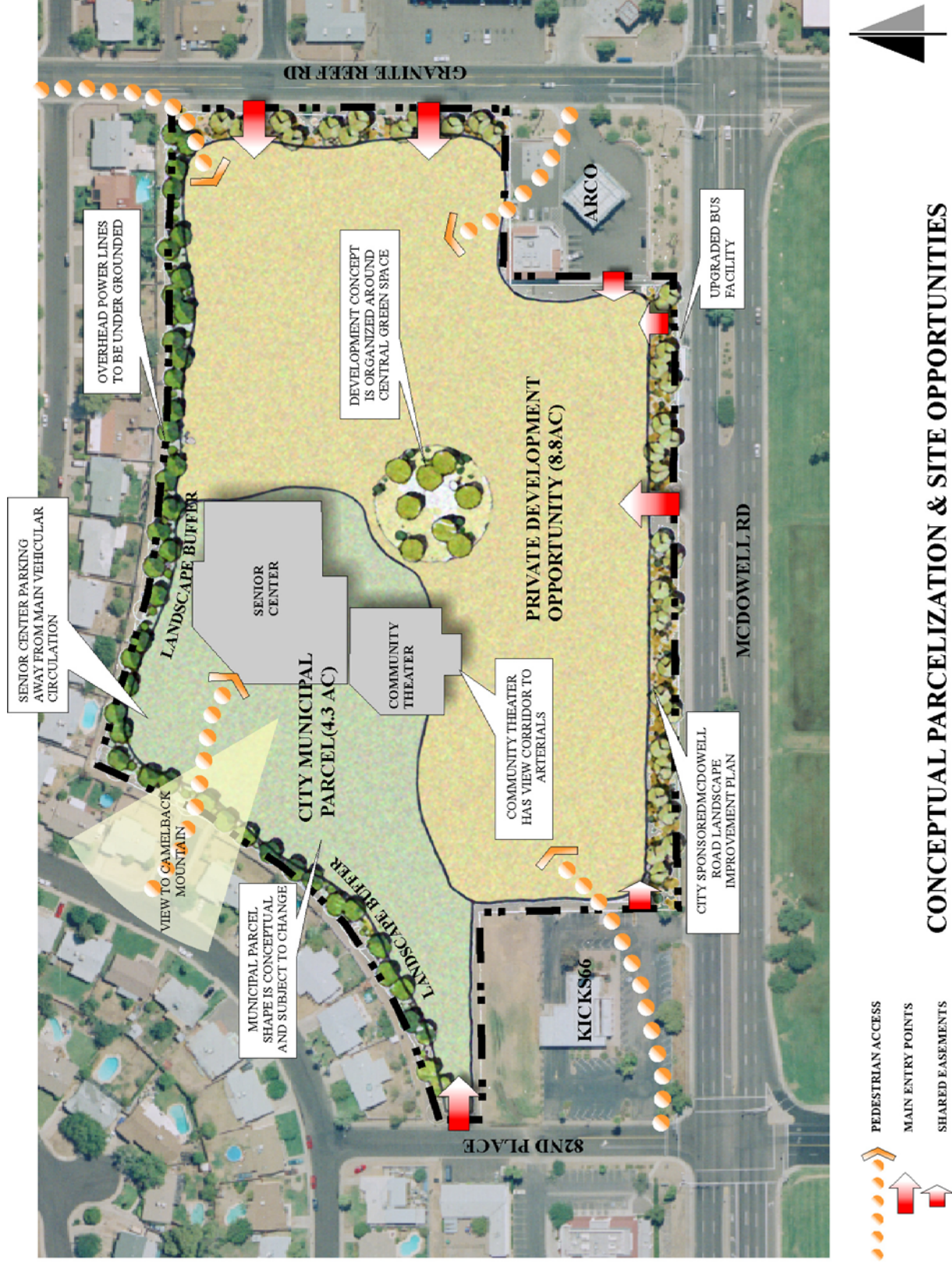
STORIES



SECTION A - A

JULY 1ST, 2002

Figure 9.1 Conceptual Master Planning Site Layout



APPENDIX

APPENDIX A – EXISTING INFRASTRUCTURE ASSESSMENT

APPENDIX B – STAGEBRUSH COMMUNITY THEATER PLAN

APPENDIX C – NON-PROFIT USER GROUP PROFILE

APPENDIX D – USER GROUP EVALUATION CHART

APPENDIX E – INITIAL LAYOUT STUDIES

APPENDIX F – PRELIMINARY COST ESTIMATES

APPENDIX G – COUNCIL PRESENTATION, JULY 1 & MAY 13, 2002

APPENDIX A – EXISTING INFRASTRUCTURE ASSESSMENT

Drainage Summary

Existing Offsite Storm drain infrastructure:

Section 09 of the MDR, demonstrates the condition of the existing storm drain system, including surface and sub-surface drainage systems, and a proposed management plan. Development in Sub-basin 09 has not changed appreciably since the MDR was approved by the city in 1986. The existing storm drain lateral in McDowell Road begins at a curb inlet located at the northeast corner of North Elm Drive and McDowell Road, east of Hayden Road, and empties into the Granite Reef Wash. The Granite Reef Wash runs north to south and lies east of Granite Reef Road. The city is currently reviewing drainage issues in neighborhoods abutting the Granite Reef Wash to determine how best to resolve potential and existing flood issues.

Existing On-site Conditions:

The 13.7-acre site is nearly all paved surfaces. The abandoned Smitty's super store was razed by the city last year. The site is ±95% impervious. The project site lies within Zone 'X' of the FIRM Map Panel#04013C2160 E, map revision July 19, 2001, with Zone 'X' being defined by FEMA as areas determined to the outside 500-year floodplain.

Residential development north and upstream of the site is walled in with solid concrete masonry unit walls. Properties east and west of the site also drain north to south and runoff flows to McDowell Road. No apparent offsite storm water runoff enters the site, however, further study is required to make final determination. On-site storm water runoff sheet flows across the asphalt parking lot from north to south and enters the storm drain lateral system in McDowell Road through a series of catch basin inlets located on-site. There is no on-site storm water storage.

Conclusions

Proposed development may provide landscape areas, including a potential landscape buffer along the north property line, a paved street mid-way the site, and several developed parcels that will likely increase the time of concentration, lower the runoff coefficient and potentially reduce storm water runoff from the site. The possibility of on-site storm water storage being provided for this site was discussed as the city staff is looking for a means to decrease runoff to the Granite Reef Wash. It was decided that on-site storm water storage will not be required for the following reasons: Each of the neighborhood plans being considered would decrease storm water runoff from the site. Secondly, due to the proposed parcel layout and parking requirements, a storage basin sizeable enough to affect the water surface elevation in the Granite Reef Wash is not reasonable. According to Bill Erickson, City of Scottsdale Flood Plain Administrator, no flood issues have been reported in the immediate neighborhood.

Water & Sewer Summary

Proposed On-site Development

The public, who has worked with the City Council, city staff and EDAW in a series of neighborhood meetings and Council sessions, has derived four conceptual site plans. All plans propose a fully developed site comprised of structures such as a multi-generational center, a senior center, a community theater, a family restaurant, small retail shops, etc., and a through street to be located mid-way through the site from North Elm Street to Granite Reef Road. Public input indicates that the site will be wholly developed.

Existing office Infrastructure

WATER

In a meeting with the City of Scottsdale, city staff reported the following:

1. The water pressure zone is Zone A.
2. The water system infrastructure is considered by city staff to be in good working condition.
3. No apparent deficiencies regarding pressure and supply have been identified. General Dynamics (formerly Motorola) located on McDowell Road immediately south of the project site reportedly is operating at +/-85% capacity. Motorola has historically been the City's biggest water user. If the city water supply is detrimentally affected by increased demand from General Dynamics, the existing main in Hayden Road from Oak Street to McDowell Road may require upgrades. These upgrades would be developer driven: that is, a condition of development, when or if the need becomes apparent. The city staff said this is not a high priority issue.
4. The existing water system is not looped. A +/- 550-foot segment is missing in Pima Road between Willetta Street and McDowell Road.

SANITARY SEWER

In a meeting with the City of Scottsdale, city staff reported the following:

1. The existing sanitary sewer system will be monitored beginning in mid-April 2002. City staff anticipates results of system capacity to be available in the future.
2. The sanitary sewer system is considered by city staff to be in good working condition.
3. At this time, no capacity problems have been identified.

Existing On-Site Facilities

The 13.7-acre parcel has been the site of a Smitty's Super Store since the latter part of the 1970's. The abandoned Smitty's store was razed by the city last year. There is an existing water meter on the east side of the parcel and a water service line from the main in Granite Reef to the meter.

The existing sanitary sewer service, located in Granite Reef Road, has been temporarily plugged. The city staff will pull the past two years of records for the Smitty site to acquire an average daily flow.

Water and Sewer Fees

New water and sewer fees go into effect July 15, 2002. Water and sewer fees required at the time of development will be dependant on property ownership – public and /or private development.

Conclusions

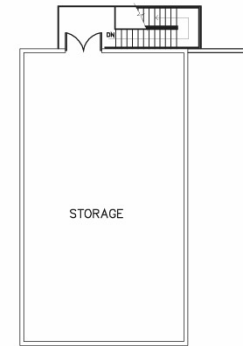
The City may request, as a condition of development for this project, that +/-550-feet of new water main be constructed in Pima Road between Willetta Street and McDowell Road. The existing system is currently being evaluated and no decision has been made regarding completion of a looped water system.

Upgrades to the existing water system by others may affect timing and sequencing of this project. If General Prevision increases usage, the city staff will require verification of pressure for the existing water system in Hayden Road from Oak Street to McDowell Road. Depending on results, the City may require upgrades to that portion of the existing system. According to city staff, this is not high priority.

The city staff is currently evaluating existing water and sanitary sewer systems. The sanitary sewer system will be monitored beginning in mid-April 2002. City staff anticipates results of system capacity to be available in the future.

At this time, the proposed uses for the site present no apparent capacity problems. According to city staff the existing water and sanitary sewer systems are in good working condition.

APPENDIX B – STAGEBRUSH COMMUNITY THEATER FLOOR PLAN

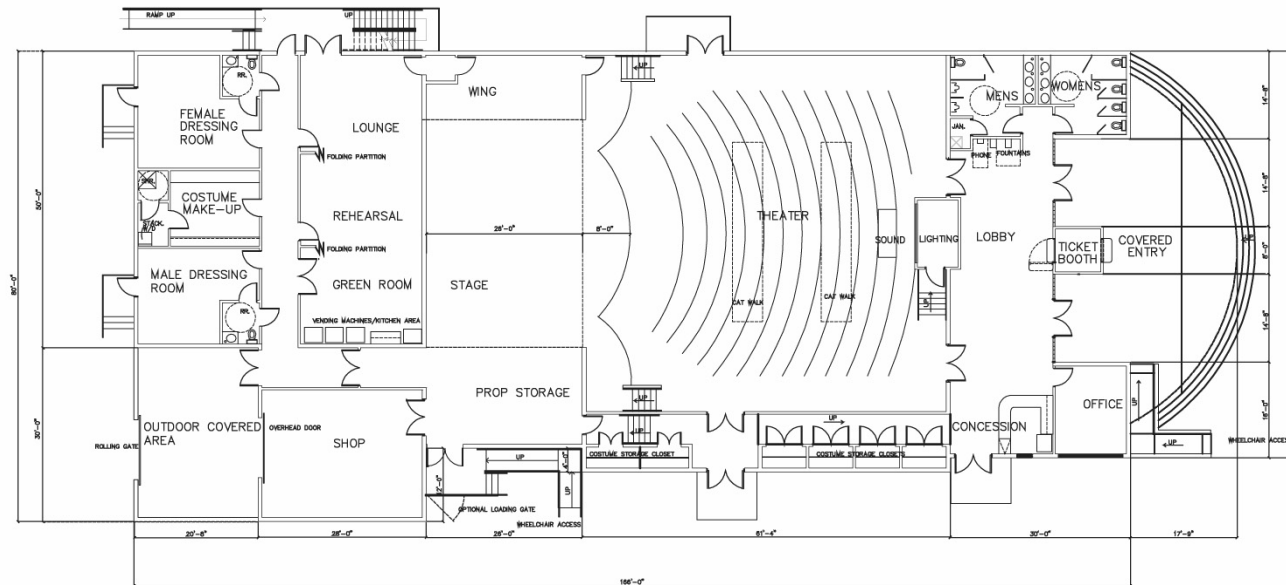


SECOND FLOOR PLAN

SCALE 1/8"=1'-0"

BUILDING AREA TOTALS
12,481 S.F. UNDER ROOF
10,884 S.F. CONDITIONED SPACE
1,746 S.F. COVERED AREA

PARKING REQUIREMENTS
PER SECTION 8104 OF ARIZONA BUILDING CODE
PARKING FOR THEATERS SHALL BE PROVIDED AT
ONE PARKING SPACE FOR EVERY FOUR SEATING
SPACES. ASSUMING 200 SEATING IS PROVIDED, 50 PARKING
SPACES ARE REQUIRED.



FLOOR PLAN

SCALE 1/8"=1'-0"

design Link
inc. and architecture
701 North Central Avenue, Suite 20
Scottsdale, Arizona 85261
(480) 857-0098 Fax (480) 857-3818

STAGEBRUSH THEATER
SCOTTSDALE, ARIZONA



Date: 2/04/02
Project:
Drawn by:
Checked by:
Reviewed:

Sheet PLAN

APPENDIX C - NON-PROFIT USER GROUP PROFILE

Summer, 2001	Senior Center	Stagebrush Theater	Ville de Marie Academy	Foundation for Handicapped	YMCA	Recording for the Blind & Dyslexic	League of Women Voters	Desert Stages Theater	American Cancer Society	Pet Adoption Center	Rio Salado College
Current Land Area - SqFt	74,487.60	150,717.60	85,036	14,250 outside +11,700 bldg	299,184	25,344 SqFt (office only)	500	552,669	108,900	87,120	4,000
Current Land Area - AC	1.71	3.46	1.95	0.60	6.87	0.58	0.01	12.69	2.50	2.00	0.09
Current Bldg Sq Ftge	20,000	8,500	15,000	11700	5,306	1,058	500	3,500	30,000	2,225	4,000
Current Parking Spaces	73	76	62	26	170	7	1	40	122	50	
PROPOSED											
Desired Land Area	3-4 acres	1-2 acres	5 acres of land	2 acres	3-6 acres	1 acre	n/a	1-2 acres	4 acres		n/a
Change in Land Area	plus 1.3-2.3 acres	neg 1.5-2.5 acres	plus 3 acres	plus 1.5 acres	neg .87-3.87 acres	plus .5 acres	n/a	neg 11.69-10.69 acres	plus 1.5 acres		n/a
Desired Bldg Sq Ftge	41,140	12,661	35,000 in Phase I	27,500 (negotiable)	17500 - 20000	3,095 (recording studio & office)	600 (office)	10,000	90,000	5030	6000
Change in Bldg Sq Ftge	21,140	4,161	20,000	+15,800 plus	12194 - 14694	plus 2,000 approx	100		plus 60,000	825	2000
Desired Parking Spaces	259	100 (55 per city code)	64	90 w/10-15 handicapped	(per code)	25	5 to 10	100		10	per code
Change in Parking	186	25	2	+64	10	18	4 to 9	66		-40	
Identify Shared Spaces				50 (Can share more parking)							
OPERATIONS											
Peak Occupancy	600-800	220	75	115		34	20	130	200-300		168
Time Period of Occupancy	M-Sat, 8am-10pm (Peak M-F, 11am-4pm, Sat 10.00am -10.00pm)	W - Sun, 2pm-11pm; Summer Camp 9am - 3pm	M-F, 7am-9am & 3pm-6pm	M-F, 8-4	M-F, 7am-10am, noon & 4pm-8pm	M-F, 8-3, MT&W open till 8.00pm	M-F, 6-9pm	M-F, 6pm-12am Sat, Sun, am-pm	M-F, 8am-6pm	M-F, 8am-9pm, Sat, Sun, 10 - 5pm	M-T, 9am - 12pm T&Th 6 -9pm
Special Needs Criteria	Accessibility - ADA, protection from major street.	Theater space, classroom with mirrored walls. high ceilings, upgraded electricity, add'l air conditioning	Theater Space, gymnasium, [rayer room, library, playground, outdoor field, basketball court	High ceilings warehouse type, 8 ft corridors in warehouse & work center, 36" doorways covered drop off unloading docks fenced parking for 6-8 vehicles	Gymnasium, outdoor instructional/recreational pool, wellness center, childwatch facility, technology/ learning center, showers/locker rooms, meeting rooms, offices, group exercise / multi-purpose room, youth and teen activity areas.	Sound proof recording studio/booths		Theater space, classroom with mirrored walls. High ceilings, upgraded electricity, studio with sound-proof. Add'l air Conditioning	Outdoor garden walk, Short-term residential facility (50-75 units), meditation/quiet areas, prostheses area, wig center	Dog park (20-30000 SqFt)	none
Large Room Functions/Area	7,400 - Dance/M-P 3,000 - Dining/M-P 2,000 - PE Room 2,000 - Art Room 1,000 - Computer Lab 1,000 - Kitchen 6 - 1,000 Classrooms 2500 - Billiard/Table Tennis Rm 1,000 - Lobby	1,200 - Lobby 5,000 Theater	20,000 in Classrooms, 5,000 Assembly/Chapel, 5,000 Theater/Arts Center, 5000 Cafeteria/Gym	5000 Work Center 2500 Warehouse, 1,200 Multipurpose rm 1,400 Kitchen/Dining	Pool, Wellness Center, Youth & Teen Activity Area			1,200 - Lobby 5,000 -Theater (Would like two theater spaces - 3000 Round Theater , 2000 - Proscenium Theater)	Hope Lodge - 50 - 75 unit short-term residential facility, Offices, Wellness Center, Garden Walk	900-Pet Supply Retail 900-Pet Grooming Room 1855- Dog Kennels	none

APPENDIX - C NON-PROFIT USER GROUP PROFILE

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APPENDIX - C NON-PROFIT USER GROUP PROFILE

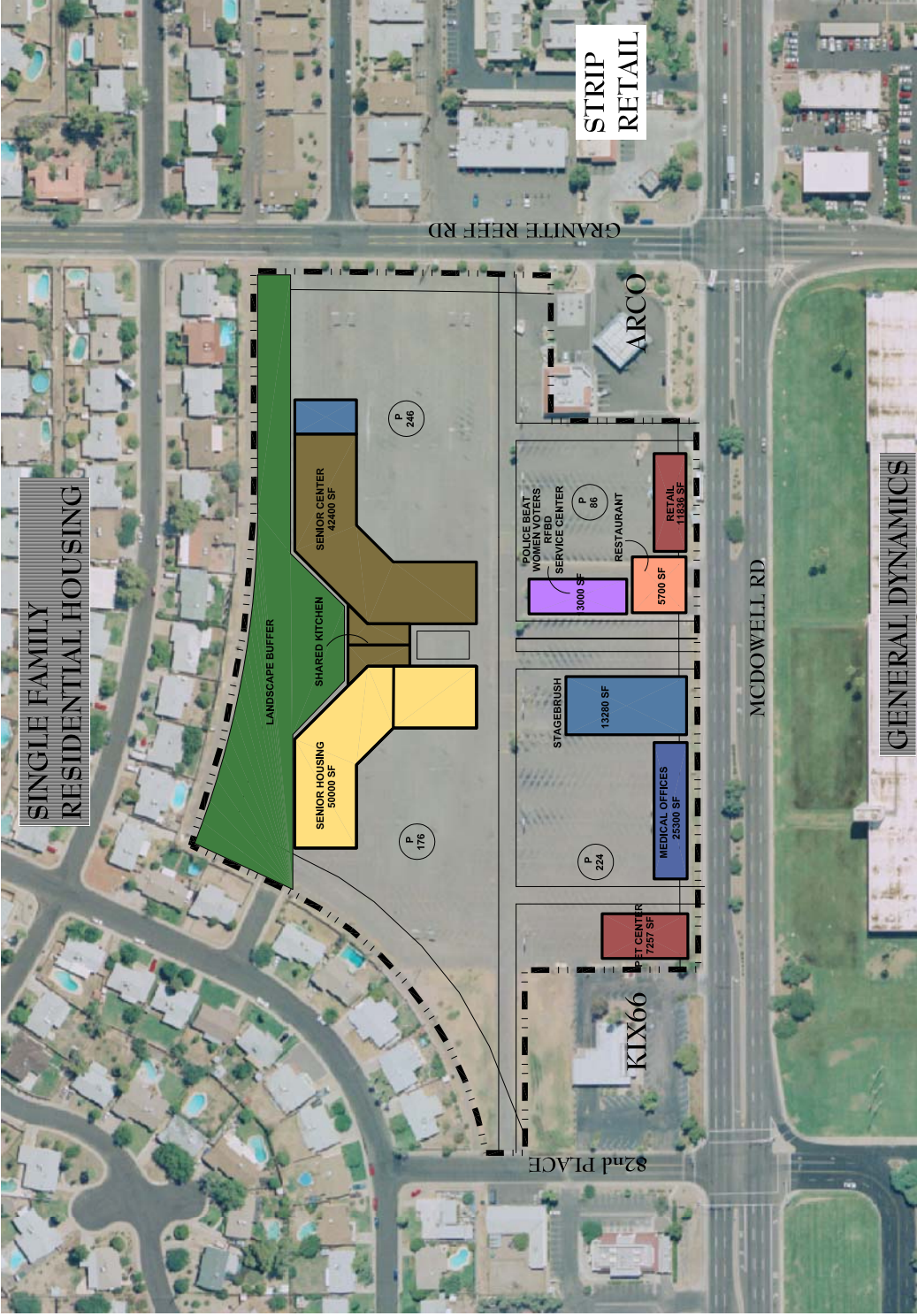
Summer, 2001	Senior Center	Stagebrush Theater	Ville de Marie Academy	Foundation for Handicapped	YMCA	Recording for the Blind & Dyslexic	League of Women Voters	Desert Stages Theater	American Cancer Society	Pet Adoption Center	Rio Salado College
OTHER	Not supportive of a multi-generational center, but a dedicated senior center	Per Contract, city can use theater space upto 12 times a year. Have the right to rent out. Will be a stand alone building and the city will build the shell. Current planned facility footprint is 80'x 166'. School bus drop-offs & pickups. Exterior noise not a concern			Will do market survey within .5m radius to determine feasibility of uses.			Views space more than a home rather than importance attached to location			
CONTACT											
Name, Position, Phone, Fax	Tim Miluk, Human Services Manager, 7375 E. 2nd Street, Scottsdale, AZ 85251, tmlil@ci.scottsdale.az.us 480.312.2375	Ginger Moore, President, Board of Directors	Deborah Kobe Norris Board of Trustees Ville de Marie Academy 4331 N. Jokake Dr. Scottsdale, AZ 85251 480 481 3117 DKN@Bullseyedm.com	Jeffrey Battle, President & CEO, 7507 E. Osborn Rd., Scottsdale AZ 85251-6425 480-994-5704 Fax: 480-994-0491	Paul Bernardo, Extension Director, Scottsdale-South YMCA, 6535 E. Osborn Rd., Bldg #1, Scottsdale AZ 85251, 480-312-0001 fax: 480-675-9142 Dan Dummermuth Group Vice-President, Scottsdale/ Paradise Valley YMCA, 6869 E. Shea Boulevard, Scottsdale, AZ 85254, 480 922 5461	Linda Wood, Exec Director - 14807 N. 73rd St. Scottsdale, AZ 85260 480-443-4580 - lwood@rfd.org	Barbara Robertson 7315 N 16th St. Ste 101, AZ 85280 602 997 5218 bbtol@aol.com	Sue Sisley 8743 E. McDonald Scottsdale, AZ 85250 1-888-780-6422 480-483-1664	Linda L. Houser, Western Regional Vice President, American Cancer Society, 2929 E Thomas Rd, Phoenix, AZ Lhouser@Cancer.org 602.224.0524	Ed Boks, Maricopa County Animal Care & Control, 2323 S 35th Ave, Phoenix, AZ 85009, 602.506.8515, edboks@mail.maricopa.gov	Mary Hannaman, Administrative Director, 2323 W 14th St, Tempe AZ 85281, 480.517.8107, mary.hannaman@riomail.maricopa.edu

APPENDIX D - USER GROUP EVALUATION CHART

McDowell Road / Granite Reef Revitalization Project
User Group Evaluation Chart
15-May-02

USER GROUPS	COMPATIBILITY									OVERALL BENEFITS								FINANCIAL VIABILITY		TOTAL	
	USER COMPATIBILITY					SITE COMPATIBILITY				COMMUNITY				REGIONAL				Weighted Value - 4			
	Weighted Value - 5					Weighted Value - 4				Weighted Value - 5				Weighted Value - 1							
	Residential	User Type	Shared Parking	Shared Facilities	Weighted Total	Site Flexibility	Shared Open space	Size	Building Height	Weighted Total	Neighborhood Benefits	Age Range Benefits	Citizen Outreach	Weighted Total	Neighborhood Benefits	Age Range Benefits	Citizen Outreach	Weighted Total	Overall Investment Return		Weighted Total
Foundation for the Handicapped	1	1	0	2	20	3	4	3	2	48	0	1	2	15	4	1	3	8	2	8	99
Senior Center	5	5	3	1	70	2	4	3	2	44	5	4	5	70	5	5	5	15	5	20	219
Stagebrush Theater	4	4	4	4	80	4	2	4	2	48	5	5	5	75	5	5	5	15	3	12	230
Ville De Marie Academy	4	4	4	5	85	2	4	2	3	44	5	3	1	45	5	3	5	13	2	8	195
New School for the Arts	4	4	4	4	80	1	4	0	1	24	3	3	4	50	5	3	4	12	1	4	170
YMCA	5	5	5	3	90	2	5	5	5	68	5	5	5	75	5	5	5	15	3	12	260
Recording for the Blind & Dyslexic	3	5	4	4	80	5	5	5	5	80	3	3	3	45	5	5	5	15	4	16	236
League of Women Voters	4	5	5	5	95	5	0	5	5	60	5	3	4	60	5	5	5	15	4	16	246
Desert Stages Theater	4	4	4	4	80	4	0	5	5	56	5	5	5	75	5	5	5	15	2	8	234
American Cancer Society	2	2	2	2	40	0	3	0	1	16	1	1	1	15	5	5	5	15	4	16	102
Commercial Offices	5	5	3	4	85	5	0	5	5	60	5	5	5	75	5	5	5	15	5	20	255
Retail	5	5	3	3	80	3	0	5	3	44	5	5	5	75	5	5	5	15	5	20	234
Restaurant	5	5	3	3	80	3	0	5	3	44	5	5	5	75	5	5	5	15	5	20	234
Service Center	5	5	2	4	80	4	0	5	5	56	5	5	5	75	1	1	1	3	3	12	226
Senior Housing	5	5	5	4	95	4	4	2	2	48	5	3	5	65	5	5	5	15	4	16	239
Pet Center	3	3	3	3	60	2	5	5	5	68	5	5	5	75	5	5	5	15	4	16	234

APPENDIX E – INITIAL LAYOUT STUDIES



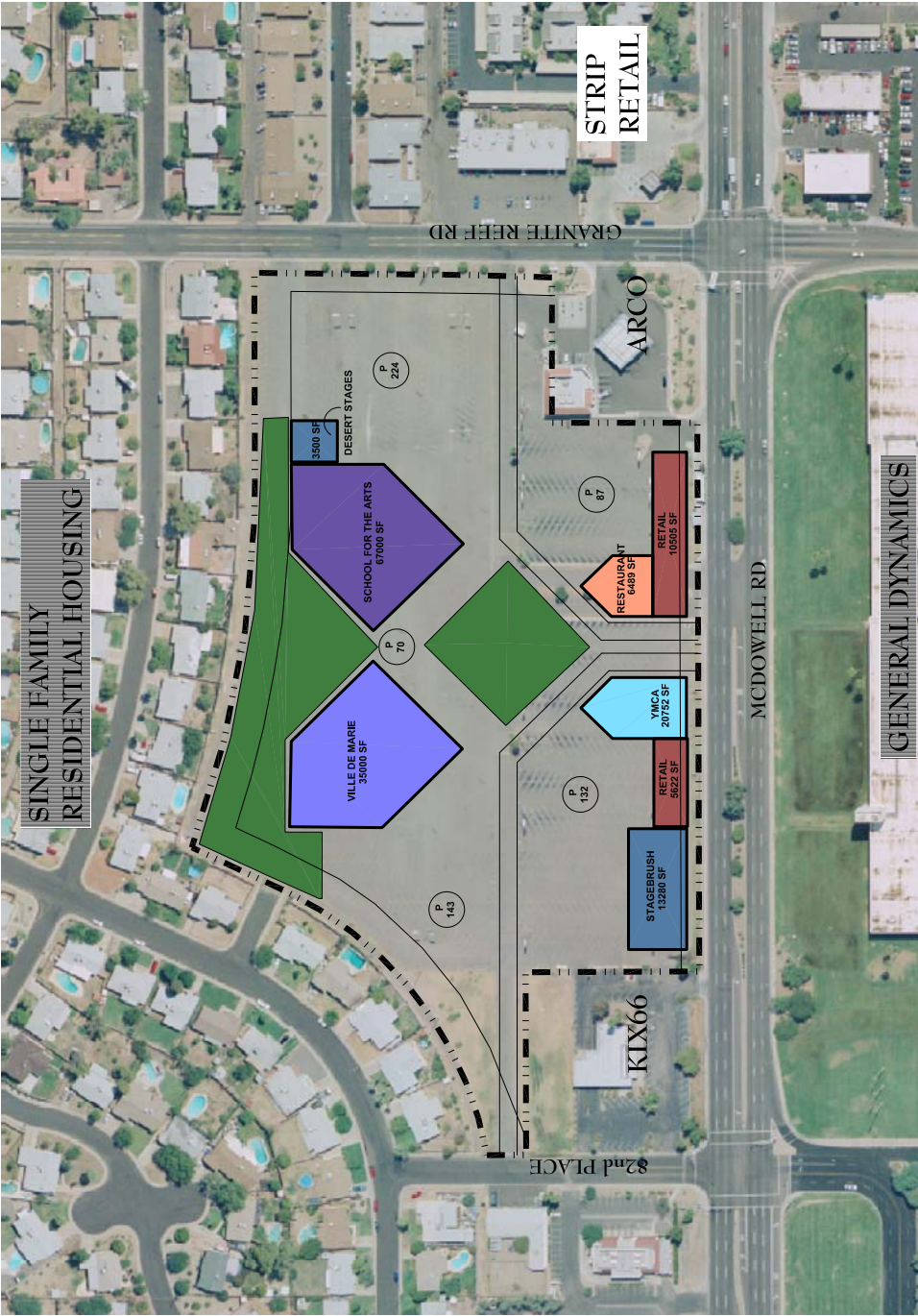
LANDSCAPE BUFFER CONCEPT			
User Groups	Building Sq	Parking	Percentage
	Ft	Required	of Site
Senior Center	42400	259	7.4%
Stagebrush Theater	13280	75	2.3%
RFBD	3095	20	0.5%
Senior Housing	50000	100	8.8% (2 story)
League of Women Voters	600	5	0.1%
Restaurant	5700	107	1.0%
Office	25300	101	4.4% (2 story)
Retail	14063	56	2.5% (2 story)
Police Beat	602	3	0.1%
Post Office	600	2	0.1%
Pet Adoption Center	5030	16	0.9%
Citizen Services Center	1603	6	0.3%
Total Building Area	162273	750	
Total Parking Provided			711
Shared Parking Requirement			650
Footprint Area	117591.5		20.6%
Parking Area	241740		42.3%
Roadways	59119		10.4%
Open space	152621.1		26.7%

FAR

0.28

SHARED PARKING CHART - LANDSCAPE BUFFER CONCEPT							
USERS	Area (Sq Ft)	Weekdays				Weekends	
		mld-7:00am	7:00am-6:00pm	6:00pm-mld	mld-7:00am	7:00am-6:00pm	6:00pm-mld
Senior Center	42400	13	259	181	13	259	181
Stagebrush Theater	13280	0	52	75	5	52	75
Restaurant	5700	57	80	114	51	80	114
Offices	31800	6	127	6	0	76	12
Retail	19093	0	77	61	0	77	47
Senior Housing*	50000	100	55	85	100	65	75
TOTAL	162273	176	650	522	169	609	504

*Seeking Parking Variance



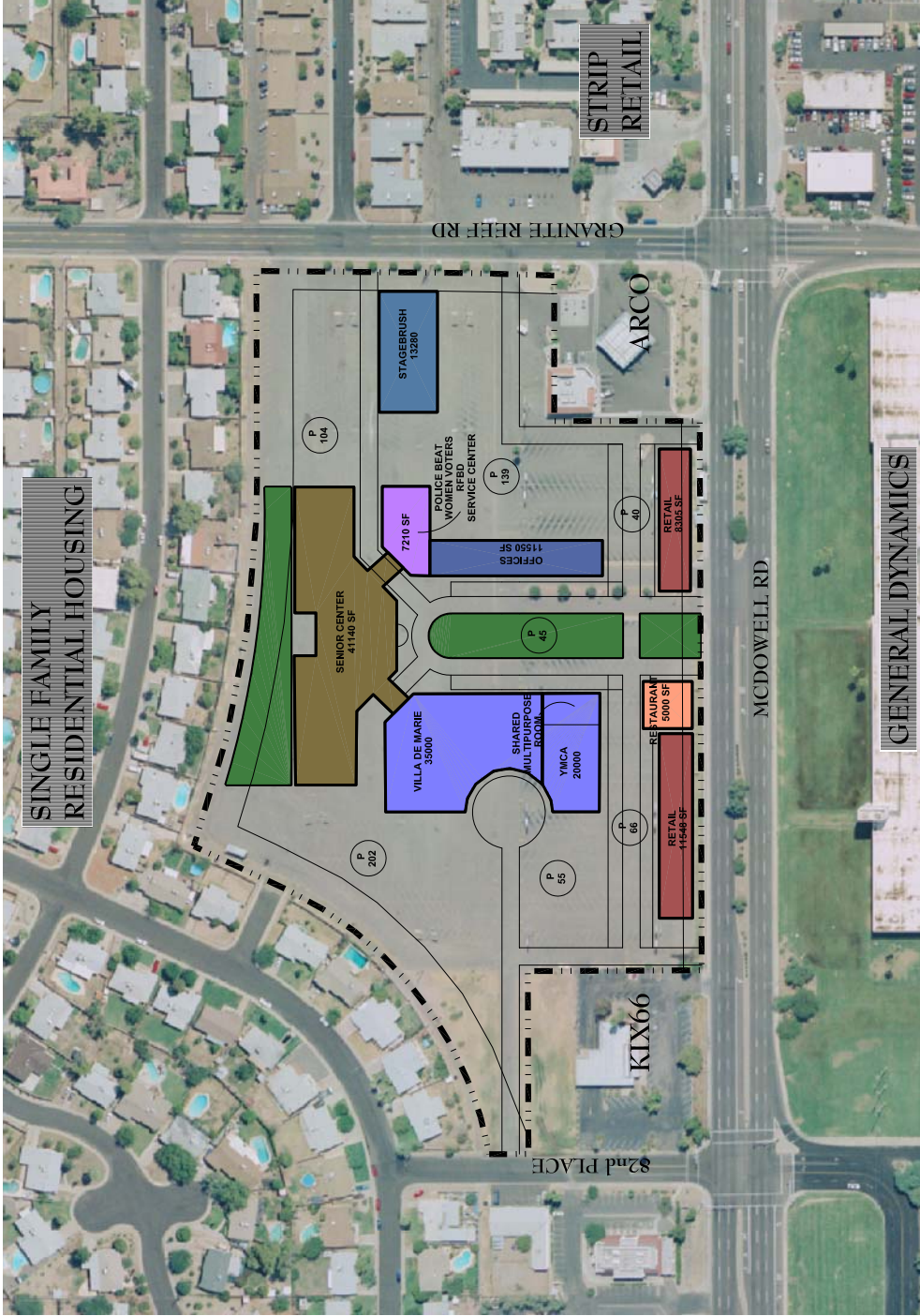
CAMPUS CONCEPT

User Groups	Building Sq Ft	Parking Required	Percentage of Site
Stagebrush Theater	13280	75	2.3%
Villa De Marie	35000	64	6.1%
YMCA	20752	80	3.6%
Restaurant	6489	130	1.1%
Retail	16127	64	2.8%
Desert Stages	3500	75	0.6%
School for the Arts	67000	337	11.7%
Total Building Area	162148	825	28.4%
Total Parking Provided			
Shared Parking Requirement			
763			
Building Footprint Area	118272		20.7%
Parking Area	223040		39.1%
Roadways	44274		7.8%
Open space	185485.6		32.5%

FAR

0.28

SHARED PARKING CHART - CAMPUS CONCEPT							
USERS	Area (Sq Ft)	Weekdays			Weekends		
		mid-7:00am	7:00am-6:00pm	6:00pm-mid	mid-7:00am	7:00am-6:00pm	6:00pm-mid
Stagebrush Theater	13280	0	53	75	5	53	100
Ville de Marie Academy	35000	3	64	16	0	32	6
Restaurant	6489	65	91	130	59	91	130
Retail	16127	0	65	52	0	65	39
School for the Arts	67000	16	337	84	0	169	33
Desert Stages	3500	0	53	75	5	53	100
YMCA	20752	5	100	80	0	70	10
TOTAL	162148	89	763	512	69	533	418



CENTRAL PARK CONCEPT

User Groups	Building Sq Ft	Parking Required	Percentage of Site
Senior Center	41140	259	7.2%
Stagebrush Theater	13280	75	2.3%
YMCA	20000	100	3.5%
RFBD	3095	20	0.5%
Villa De Marie	35000	64	6.1%
League of Women Voters	600	5	0.1%
Restaurant	5000	107	0.9%
Office	11550	46	2.0%
Retail	19853	58	3.5%
Police Beat	915	4	0.2%
Post Office	600	2	0.1%
Citizen Services Center	2000	8	0.4%
Total Building Area	153033	748	26.8%
Total Parking Provided			651
Shared Parking Requirement			663
Building Footprint	137177		24.0%
Parking Area	232220		40.7%
Roadways	91316		16.0%
Open space	110358.6		19.3%

FAR

0.27

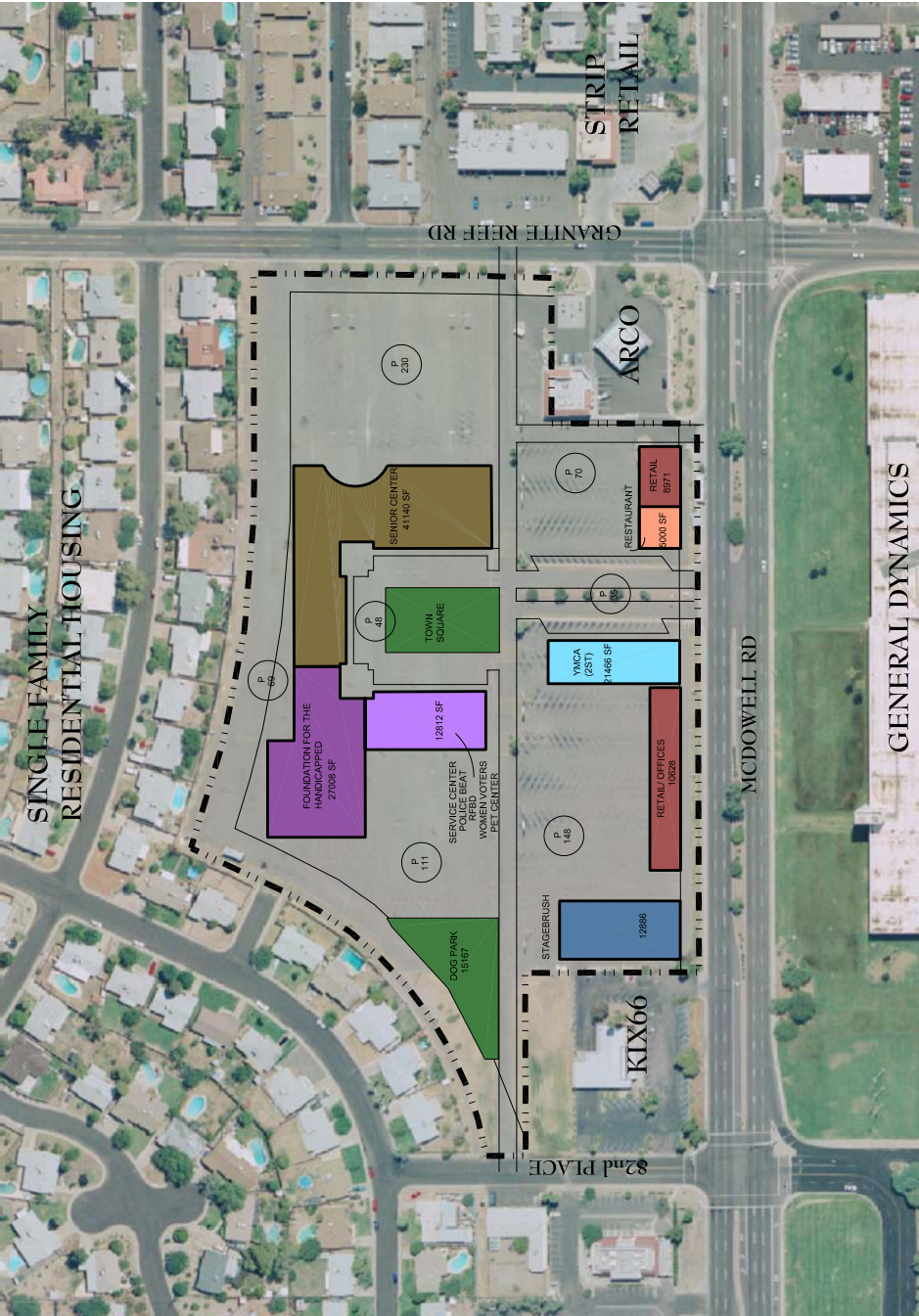
SHARED PARKING CHART - CENTRAL PARK CONCEPT						
USERS	Area (Sq Ft)	Weekdays			Weekends	
		mid-7:00am	7:00am-6:00pm	6:00pm-mid	mid-7:00am	7:00am-6:00pm
Senior Center	41140	13	259	181	13	259
Stagebrush Theater	13280	0	52	75	5	52
Ville de Marie Academy	35000	3	64	16	0	32
YMCA	20000	5	100	80	0	100
Restaurant	5000	54	75	107	48	75
Offices	18760	3	55	3	0	33
Retail	19853	0	58	108	0	136
TOTAL	153033	78	663	570	66	687
						536



CLUSTER CONCEPT			
User Groups	Building Sq Ft	Parking Required	Percentage of Site
Senior Center	41833	259	7.3%
Stagebrush Theater	13280	75	2.3%
RFB	3095	20	0.5%
Villa De Marie	35000	64	6.1%
YMCA	21681	80	3.8%
League of Women Voters	600	5	0.1%
Restaurant	5000	107	0.9%
Office	11862	18	2.1%
Retail	14973	64	2.6%
Police Beat	1000	4	0.2%
Post Office	600	2	0.1%
Pet Adoption Center	5030	16	0.9%
Citizen Services Center	2000	8	0.4%
			0.0%
Total Building Area	155954	722	27.3%
Total Parking Provided			
Shared Parking Requirement			
Building Footprint Area	145114		25.4%
Parking Area	200940		35.2%
Roadways	44274		7.8%
Open space	169903.6		29.8%

FAR 0.27

SHARED PARKING CHART - CLUSTER CONCEPT									
USERS	Area (Sq Ft)	Weekdays							
		mid-7:00am	7:00am-6:00pm	6:00pm-mid	mid-7:00am	7:00am-6:00pm	6:00pm-mid	Weekends	
Senior Center	41833	13	259	181	13	259	181		
Stagebrush Theater	13280	0	53	75	5	53	100		
Ville de Marie Academy	35000	3	64	16	0	32	6		
Restaurant	5000	54	75	107	48	75	107		
Retail	19157	0	76	60	0	76	45		
Office	20003	3	58	3	0	35	6		
YMCA	21681	5	100	80	0	70	10		
TOTAL	155954	78	685	522	66	600	455		



OFFSET

User Groups	Building Sq Ft	Parking Required	Percentage of Site
Senior Center	41140	259	7.2%
Stagebrush Theater	13280	75	2.3%
RFBD	3095	20	0.5%
Foundation for the Handicapped	27008	110	4.7%
YMCA	21466	80	3.8%
League of Women Voters	600	5	0.1%
Restaurant	5000	107	0.9%
Office	9458	37	1.7%
Retail	10628	42	1.9%
Police Beat	1000	4	0.2%
Post Office	600	2	0.1%
Pet Adoption Center	5030	16	0.9%
Citizen Services Center	2000	8	0.4%
Total	140305	765	24.6%
Total Parking Provided			642
Shared Parking Requirement			718
Building Footprint	129572		22.7%
Parking Area	218280		38.2%
Roadways	59119		10.4%
Open space	164100.6		28.7%

FAR

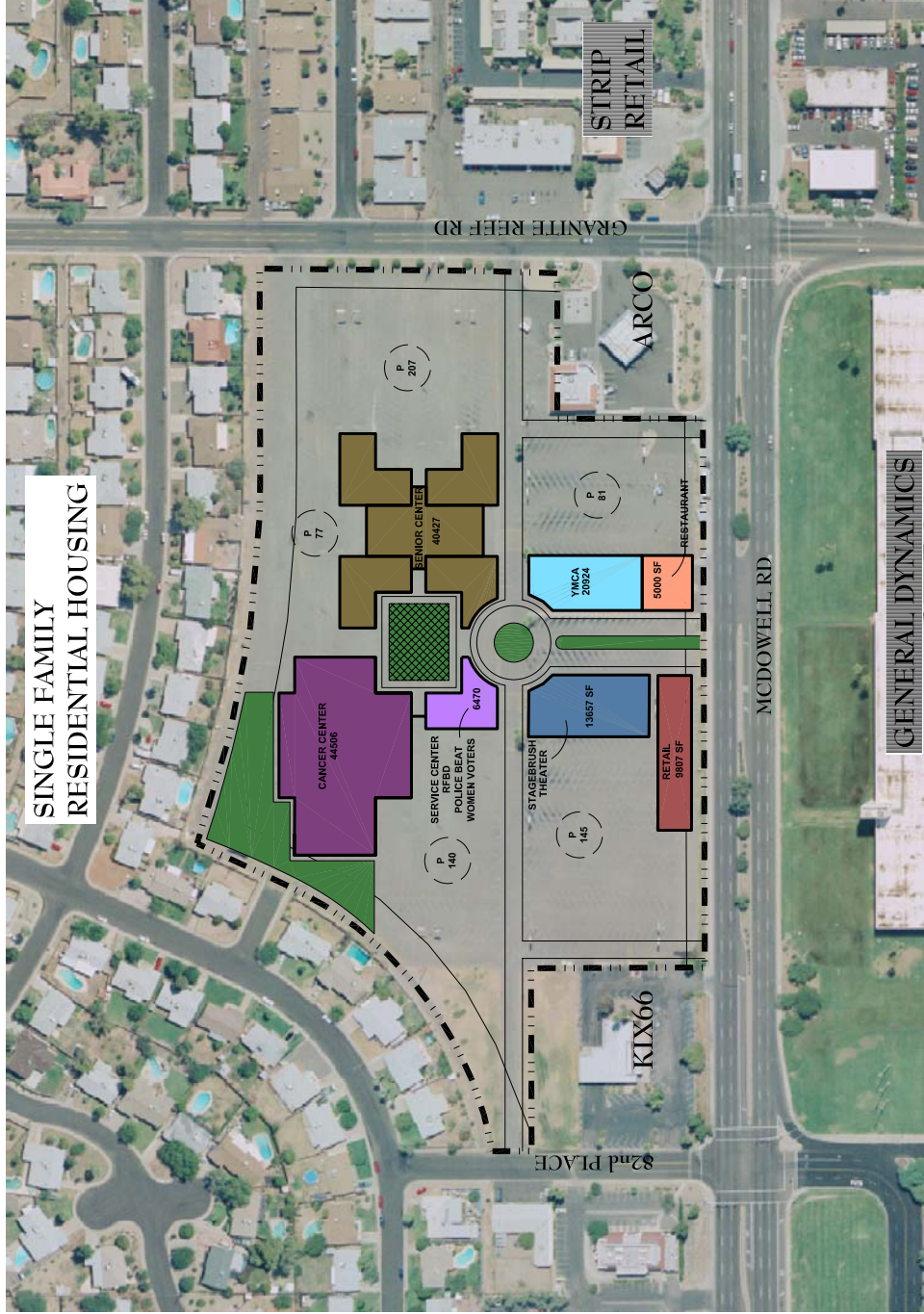
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SHARED PARKING CHART - OFFSET PARK CONCEPT									
USERS	Area (Sq Ft)	Weekdays					Weekends		
		mid-7:00am	7:00am-6:00pm	6:00pm-mid	mid-7:00am	7:00am-6:00pm	6:00pm-mid	6:00pm-mid	
Senior Center	41140	13	259	181	13	259	181		
Stagebrush Theater	13280	0	52	75	5	52	75		
Foundation for the Handicapped	27008	5	102	5	0	10	10		
YMCA	21466	5	100	80	0	100	80		
Restaurant	5000	54	75	107	48	75	107		
Offices	21783	5	88	5	0	53	9		
Retail	10628	0	42	33	0	42	25		
TOTALS	140305	82	718	486	66	591	487		

PEDESTRIAN CORE

User Groups	Building Sq Ft	Parking Required	Percentage of Site
Senior Center	40427	259	7.1%
Stagebrush Theater	13280	75	2.3%
RFBD	3095	20	0.5%
Cancer Center*	90000	250	15.8%
YMCA	20924	100	3.7%
League of Women Voters	600	5	0.1%
Police Beat	775	4	0.1%
Citizen Services Center	2000	8	0.4%
Retail	9807	51	1.7%

Total	180908	772	31.7%
Total Parking Provided			
		650	
Shared Parking Requirement			
		732	
Building Footprint	125446		22.0%
Parking Area	221000		38.7%
Roadways	56520		9.9%
Open space	168105.6		29.4%

0.32
FAR

SHARED PARKING CHART - PEDESTRAIN CORE CONCEPT							
USERS	Area (Sq Ft)	Weekdays			Weekends		
		mid-7:00am	7:00am-6:00pm	6:00pm-mid	mid-7:00am	7:00am-6:00pm	6:00pm-mid
Senior Center	40427	13	259	181	13	259	181
Stagebrush Theater	13280	0	52	75	5	52	75
YMCA	20924	5	100	80	0	100	80
American Cancer Society (Office)	50000	10	200	10	0	120	20
ACS Hope Lodge (50 Units)	40000	50	30	43	50	32	37
Police Beat/Service/RFB0/MV	6470	3	51	3	0	30	0
Retail	9807	0	40	32	0	40	24
TOTAL	180908	81	732	424	68	633	417

APPENDIX G – COUNCIL PRESENTATION, JULY 1 & MAY 13, 2002

Granite Reef & McDowell Revitalization Masterplan

July 1, 2002

Tonight's Request

- Discuss and Provide staff direction on key development issues necessary to prepare RFP:
 - Acceptable Development/Disposition Strategies
 - Any Land Use Restrictions
 - Acceptable Return on Investment
- Authorize funding of Phase III of the Master Planning Contract with EDAW in the amount of \$65,000 to provide Master Site Plan and Design Guidelines for both Developer RFP and Senior Center.

Site Map, *Pre-Demolition*



Masterplan Effort, Phase I

Information Collection and Review Analysis

- Review all gathered site information, potential users design, parking and activity information.

Analysis

- Determine compatibility of uses, programming of the site and utilizing shared parking and open space.

Creation of Various Site Plan Scenarios

- Preliminary land use plans with various mixes of uses

Masterplan Effort, Phase II

Engineering Study & Assessments

- Analysis and Preliminary costs for utilities for the combination of uses for each preliminary plan.

Financial Analysis of Design Options

- Preliminary Market and Financial analysis of the various approved uses for the site.
- Included scenarios with mixes of retail, office, housing, and non-profit uses.
- Report to Council information on Residual Value for mix of uses and recommend on how to proceed.

Refinement and Final Strategies

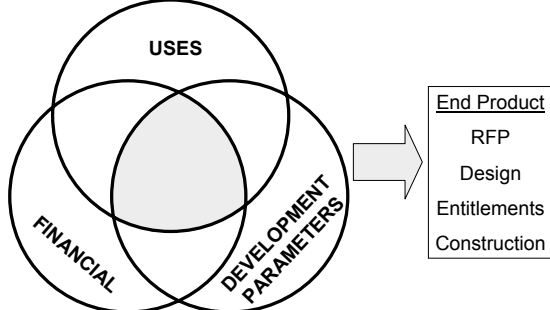
- Final scenarios with a combination of compatible and marketable uses with various levels of return.

Phase II, Public Outreach

- May 7, 2002 – Neighborhood meeting onsite
 - 30 Attendees
- June 6, 2002 – Open House, Hohokam School
 - 154 Attendees
- June 6, 2002 – El Dorado Park
 - 75 Attendees
 - Comments Included Support for: Senior Center, Mixed Uses, City Services, Neighborhood Retail, Multigen/Activity Center, 'Sit Down' Restaurant, Sensitive Design. Mixed response on School, Senior Housing and Specific Non-Profits.



3 Key Development Issues



Granite Reef & McDowell Revitalization
Masterplan

7

Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

MARKET FINDINGS

Retail

Retail Market Considerations

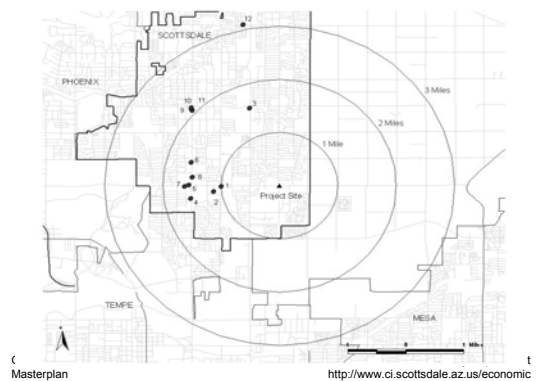
- Traditional neighborhood anchors restricted
- \$12-16+/- strip retail rents; 91% occupancy rate
- Lack of traditional anchors make financing more difficult
- Non-traditional anchors support retail
- Market orientation & image affected by focus of non-retail development
- Major employer, surrounding residential, and McDowell traffic counts plus
- Family restaurant options - local, franchise, chain - location meets market criteria (traffic counts, population, income)
- Future opportunities/competition at Los Arcos could affect leasing

Granite Reef & McDowell Revitalization
Masterplan

9

Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

Family Restaurants Near the Project Site



Retail Market Conclusions

- Limited potential and scope
- Good site, but competitive sites in area
- Low rents
- Opportunities -
 - Convenience retail and services
 - Possibly family restaurant

Granite Reef & McDowell Revitalization
Masterplan

11

Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

MARKET FINDINGS

Office

Medical Office Market Considerations

- Synergies with senior center and housing
- \$12-14+/sq ft mostly older, class C buildings; occupancy 79%
- Difficult to support new construction at market rent levels
- Generally small units or buildings; larger buildings near hospitals
- Medical professionals have better choices
- Some interest in office condominium space

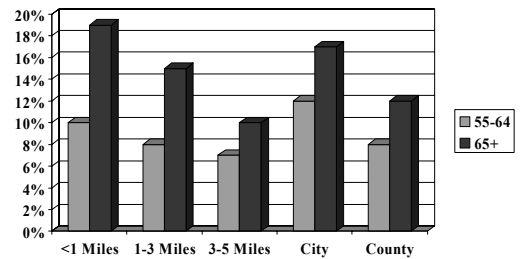
Office Market Conclusions

- Low rent market
- Phase office development
- Opportunities -
 - Second level office above retail for miscellaneous users- medical, non profits, others
 - Medical office pad site for subsequent phase

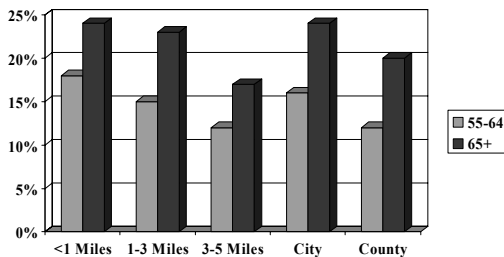
MARKET FINDINGS

Senior Housing

Local Market Has Higher % of Seniors Than County



Local Market Has Higher % of Senior HH Than County



Senior HH Characteristics Within 3-Miles

- 44% are family households (mostly married couple, no children at home)
- 53 % live alone
- 76% own and 24% rent

Senior Housing Developments

- 17 Developments in Scottsdale
 - 15 offer independent living
 - 5 offer assisted living
- 10 in South Scottsdale
 - 4 are tax credit or HUD developments
 - 6 are market rate or private developments
- Rents for independent living with services
 - \$1,450-\$2,140/mo. in South Scottsdale
 - \$1,400-\$4,800/mo. in North Scottsdale
- Occupancy rates = low 90s%+

Senior Housing Considerations

- People tend to live in existing SF homes as long as possible
- Average age much older than entry level age - 75 yrs vs. 55/62 yrs.
- Must anticipate aging in place
- Demand must draw from regional population
- Mid-market is more moving up from older apartments than moving down from single-family homes
- Difficult to keep operating costs in check
- Hard to obtain financing because of failures nationally
- Senior center is a plus if it provides services

Senior Housing Market Conclusions

- Good demographic profile
- Mid-market opportunity, but difficult to control operating costs and gain financing
- Opportunities -
 - Age restricted MF housing with limited services (services supplied by senior ctr.)
 - Low moderate senior housing

MARKET FINDINGS

Possible Other Uses

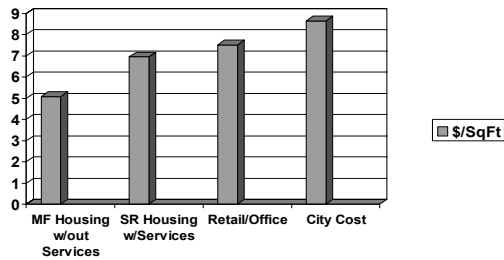
Other Potential Uses

- Market rate multi-family housing
- Small lot single-family starter homes, townhouses, or move-down homes
- Family fitness clubs

FINANCIAL FINDINGS

Preliminary

Relative Land Value/SqFt



Granite Reef & McDowell Revitalization Masterplan 25 Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

Financial Scenarios

Scenario 1

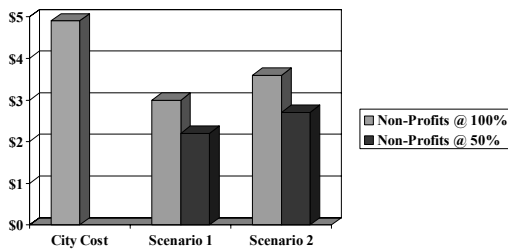
- Senior Center
- Stagebrush Theater
- Retail/Restaurant
- Commercial Office
- Medical Office
- Rental Housing w/out Services
- Multigen. Center/Non-Profits

Scenario 2

- Senior Center
- Stagebrush Theater
- Retail/Restaurant
- Commercial Office
- Medical Office
- Senior Housing with Services
- Multigen. Center/Non-Profits

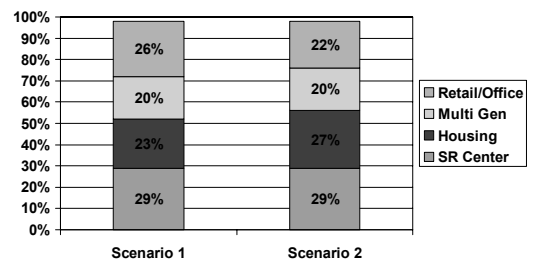
Granite Reef & McDowell Revitalization Masterplan 26 Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

Residual Land Value Comparison (million \$)



Granite Reef & McDowell Revitalization Masterplan 27 Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

Sources of Land Value



Granite Reef & McDowell Revitalization Masterplan 28 Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

Financial Considerations

- Land value per s.f. of housing & commercial less than City's costs & most recent appraised value
- Developments must achieve > current market rents for older space
- Estimates assume non profits pay full value for land and space
- Estimates assume some 3 story senior housing and 2 story office/retail, some over parking
- All uses plausible, but risky

Granite Reef & McDowell Revitalization Masterplan 29 Economic Vitality Department
<http://www.ci.scottsdale.az.us/economic>

Land Use Parcel Strategy

Committed Uses, 4.3 Acres

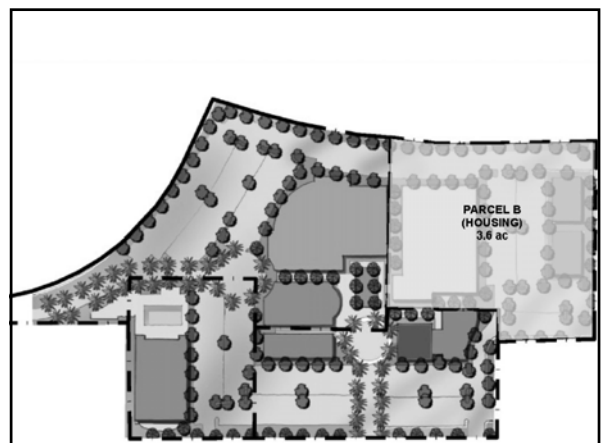
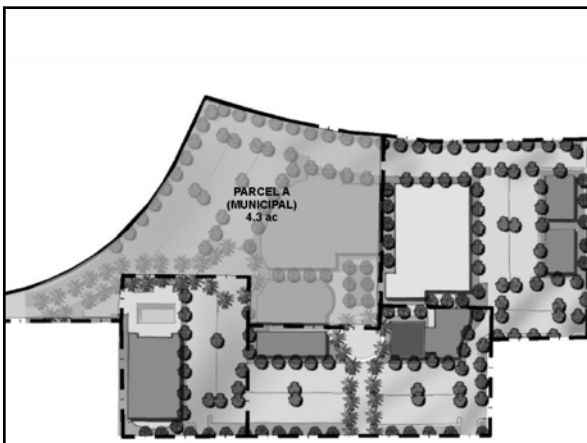
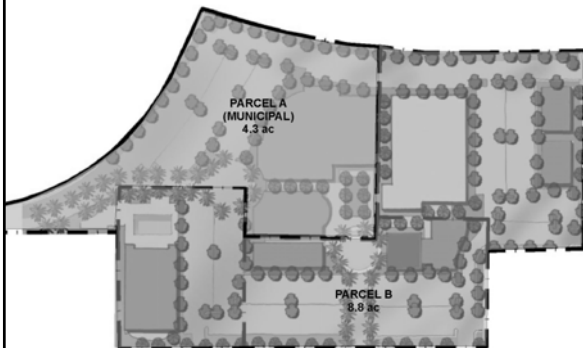
- Senior Center
- Citizen Service Center
- Police Beat Office
- Stagebrush Community Theater

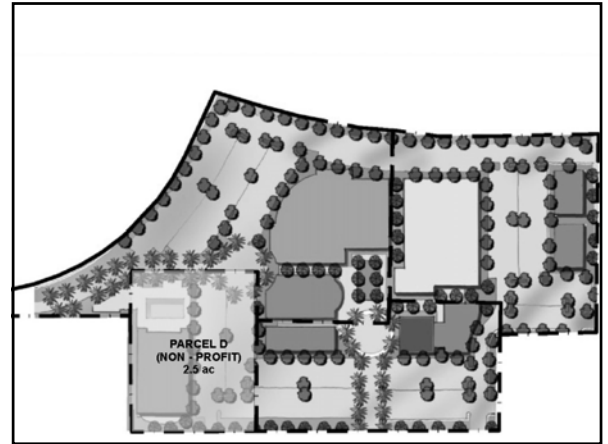
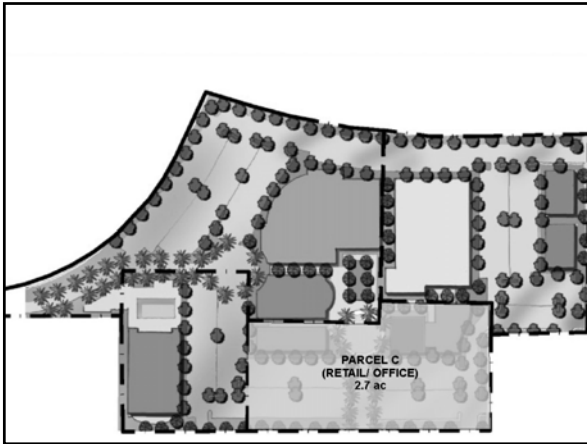
Uncommitted Uses, 8.8 Acres

Potential Uses Include:

- Restaurant – 5,000 SqFt
- Neighborhood Retail/Office – 10,000 – 17,000 SqFt
- Multigenerational Activity Center – 20,000 SqFt
- Senior Housing – 100,000 SqFt (100 units)
- Charter School – 35,000 SqFt
- Non-Profit Uses – 5,000 – 20,000 SqFt
- Non-Profit Headquarters – 50,000 SqFt

Recommended Parcelization





DISPOSITION STRATEGY

Options & Recommendation

1) City As Master Developer - Conveys Lots to Users

Advantages:

- Control
- Coordination
- Flexibility
- City cost of funds
- Long Term View

Disadvantages:

- Expertise
- Politics
- Time Frame
- Must anticipate private needs
- Risk of Land Ownership

2) City Retains Fee Developer - Conveys Lots to Private Users

Advantages:

- Expertise
- Control through contracts
- Coordination
- Flexibility
- City cost of funds
- Long Term View

Disadvantages:

- Extra cost
- Contract coordination
- Must anticipate private needs
- Risk of Land Ownership

3) Convey to Private Master Developer - Retain Lots for Public Use

Advantages:

- Expertise
- Private needs met
- Control through deed, agreements, & permits
- Coordination
- Expediency
- Use Private Capital
- Less Long Term Risk

Disadvantages:

- Enough Incentive?
- Less Control
- Less Obligation to Community
- Less public flexibility

4) Subdivide - Public Use Lot & Private Lots With CC&Rs

Advantages:

- Expertise
- Private Needs Met
- Control through deed, agreements, & permits
- Expediency
- Use Public & Private Capital
- Avoids Developer Fee for City Uses

Disadvantages:

- Must anticipate Coordination Issues
- Timing of Development
- Indirect Control
- Less Public Flexibility

Disposition Recommendation

- City Prepares Framework Plan for RFP
- Subdivide -
 - City retains public lot “A”
 - City conveys non public lots (“B” & “C”, and “D”) through RFP process
- Back-up Strategy -
 - City retains fee developer & conveys pad sites through RFP process

SELL VS. LEASE

Trade-offs & Recommendation

SELL

Advantages:

- Cash Upfront
- Expediency
- Lower Risk
- Recycle Funds
- Control through deeds, agreements, & permits

Disadvantages:

- Near Term Value Low
- Forfeits Upside Potential
- Less control over time
- Disposes of possible long-term assets
- Forfeits long-term cash flow

LEASE

Advantages:

- Upside Potential
- Retain Assets, Long-Term
- Flexible terms to fit project risk
- Control through lease terms, permits
- Flexibility to Sell Lease
- Return on lease > City's cost of funds

Disadvantages:

- Opportunity cost of cash over time
- Lease management responsibilities & costs
- May reduce developer interest
- More difficult to finance
- More risk in outcome
- Does not work as well with For Sale Housing

Sell vs. Lease Recommendation

- Lease property for long-term, but entertain purchase offers in RFP

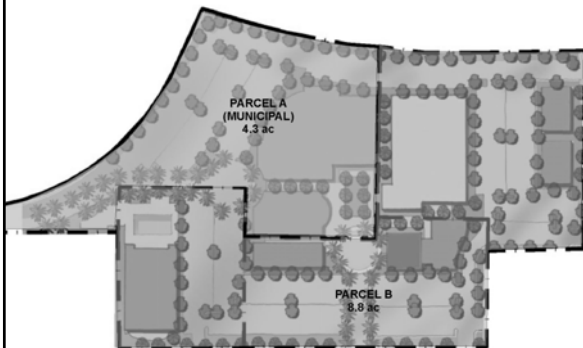
SUMMARY RECOMMENDATIONS

Council Action

Summary Recommendations

- 1) Entertain broad range of mixed-uses on non-public parcels - let responses reflect market, but recommend desired uses
- 2) Establish City Policy to Determine Non-Profit Participation
- 3) City Prepares Framework Plan and Subdivides property
- 4) RFP Non-City Parcels
- 5) Allow some 3-story to enhance leasable area & value
- 6) Specify evaluation criteria in RFP, including public purpose, design & price offered for land
- 7) Lease property but entertain purchase proposals
- 8) Convey parcels with CC&Rs

Recommended Parcelization



Tonight's Request

- Discuss and Provide staff direction on key development issues necessary to prepare RFP:
 1. Acceptable Development/Disposition Strategies
 2. Any Land Use Restrictions
 3. Acceptable Return on Investment
- Authorize funding of Phase III of the Master Planning Contract with EDAW in the amount of \$65,000 to provide Master Site Plan and Design Guidelines for both Developer RFP and Senior Center.

Tonight's Key Questions

1. Disposition Strategies:
 - Sell all 13 acres as Surplus City Property at auction?
 - Sell off acreage that is non-city use at auction?
 - Continue on MasterPlan for the entire site with RFPs
 - RFP Approaches
 - RFP Non-Public Parcels as a whole?
 - Development Parameters?
2. Any Land Use Restrictions?
 - » Non-Age Restricted MF Housing
 - Any Land Use Requirements?
 - » Non-Profits
 - » Multigenerational, non-profit or City-run
 - » Restaurant

Tonight's Key Questions, *cont'd*

3. Acceptable Return on Investment?
 - Estimated +/- 60% return on investment
 - Should there be financial assistance to provide for specific uses

Masterplan Effort Phase III

4. Authorize funding of Phase III of the Master-Planning Contract with EDAW in the amount of \$65,000.

– **Design Development**

- Provide Design Guidelines and Conceptual Site Plan to Establish Design Intent for the Development of the Property
- Draft RFP for Developer/User Group for the Site.
- Begin Site Design City Approval Process (pre-app)

GRANITE REEF AND McDOWELL REVITALIZATION



City of Scottsdale

Council Presentation

May 13, 2002

Existing Site



Tonight's Request

- Key Areas of Direction from Council:
 - 1 – Approval of Development Options
 - 2 – Feedback on Development Parameters
- Approve Contingency Transfer of \$69,500 from Capital Improvement Project Funds to Center No. PO101 to fund Phase II of Architectural Service Contract No. 2002-017-COS

Granite Reef & McDowell Master Planning Team

- EDAW, Inc.
 - National land use planning firm with local offices
- DesignLink Architecture
 - Scottsdale-based architecture firm
- Economics Research Associates (ERA)
 - National development and planning economics consulting firm
- Wood Patel Consulting Engineers, Inc.
 - Local civil engineering firm

Granite Reef & McDowell Master Planning

- Contract Authorization for \$200,000
 - Master planning
 - Financial feasibility analysis
 - Engineering study
 - All in preparation for a final site plan
- Phase I – \$65,000
- Funding from Smitty's Purchase Account

Master Planning Timeline

- Phase I – 2/20/02 to 5/12/02
 - Information Collection and Review
 - Analysis/Evaluation Criteria for Compatibility
 - Creation of Site Plan Options
- Phase II – 5/13/02 to 7/1/02
 - Site Design Layouts Refined
 - Financial Modeling & Engineering Study
- Phase III – 7/02/02 to 9/10/02
 - Design Development of Selected Master Plan

Master Planning Public Meeting Timeline

- Neighborhood Open Houses
 - Hohokam June 6 5:30 - 7:30 pm
 - Eldorado Park June 8 9:00 -11:00 am
 - City Council July 1 5:00 pm

Senior Center/Site Work Development Timeline

- RFP Architectural/ Engineering August 2002
- Contract Approval September 2002
- Design Work Fall/Winter 2002
- City Approval Process Spring/Summer 2003
- Bids for Construction Summer 2003
- Construction Begins Summer/Fall 2003

Building on Previous Work



Building on Previous Work

- Outreach to Community Last Year
- Property Focus Options
 - Public Use Center
 - Senior Activity Center
 - Multiuse Center
 - Neighborhood Activity Center
- Dedicated Users:
 - New Senior Center
 - Stagebrush Community Theater

What We Learned from the Community

- Community Based Development
- Mix of Uses that Serve the Neighborhood
- Improve the General Neighborhood
- Multigenerational Activity Center
- Neighborhood Retail
- Family Style Restaurant
- Building Height/Building Setback Concerns
- Use of Existing Alley
- Concern for Low Income Housing

What We Learned From Council

- Community Based Development
- Senior Center Located on the Site
- Evaluate Senior Housing Potential
- Evaluate Non-City Users Compatibility
- Financial Return Options on Investment
- Development Strategies
- Point of Pride for Neighborhood & Scottsdale

What We Learned from Potential User Groups

- Building/Site/Parking Requirements
- Operational requirements
- Ability to share facilities
- Ability to fund improvements
- Compatibility with other user groups
- Benefits to neighborhood
- Benefits to entire community/region

User Groups

- Senior Center
- Community Theater
- Citizen Service Center/Police Beat Office
- Senior Housing
- Non-Profit Organizations and Institutions
- Private/Charter School
- Multi-Generational Activity Center
- Office
- Retail/Restaurant

User Group Evaluation

- User Compatibility
 - Neighborhood and Residential
 - User Type (who are their clients)
 - Ability to Share Parking
 - Ability to Share Facilities
- Site Compatibility
 - Site Flexibility
 - Shared Open Space
 - Size Requirements (building and land)
 - Building Height

User Group Evaluation

- Community Benefit
 - Neighborhood Benefit
 - Age Range Benefit
 - Citizen Outreach
- Regional Benefit
 - Neighborhood Benefit
 - Age Range Benefit
 - Citizen Outreach

User Group Evaluation

- Funding Ability
 - Ability to Purchase Land
 - Ability to Construct Building
- Revenue Potential
 - Ability to Pay Market Rent
 - Ability to Pay Below Market Rent

Site Evaluation

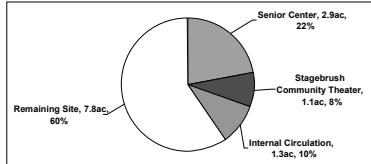


Site Evaluation

- Total Site Area 13.1 Acres

Obligated User Groups:

- Senior Center (2.9 Acres)
- Stagebrush Community Theater (1.1 Acres)
- Internal Circulation (roads, utilities) (1.3 Acres)
- Total Site Area Remaining 7.8 Acres



Site Evaluation

- Total Site Area Remaining 7.8 Acres

Interested User Groups:

- Senior Housing (4.0+ Acres)
- Citizens Service Center/Police Beat Office (0.1 Acres)
- Multi-Generational Center (1.4 Acres)
- Family Restaurant (1.0 Acres)
- Non-Profit Headquarters (3.0 Acres)
- Private/Charter School (3.0 Acres)
- Small Non-Profit (Offices) (0.5 Acres)
- Large Non-Profit (Offices/Work Space) (1.4 Acres)
- Total Site Shortage (6.6+ Acres)

Compatible User Groups

- Senior Center
- Stagebrush Theater
- Senior Housing
- Family Restaurant
- Multigenerational Activity Center
- Office/Neighborhood Retail
- Citizen Service Center/Police Beat Office
- Small Non-Profit (500-5,000 sq. ft.)

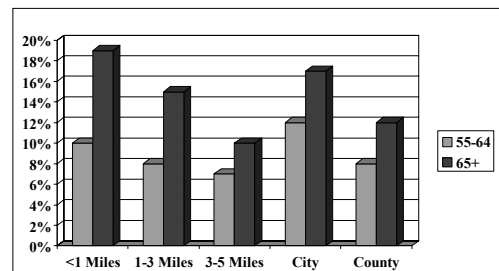
Market Considerations



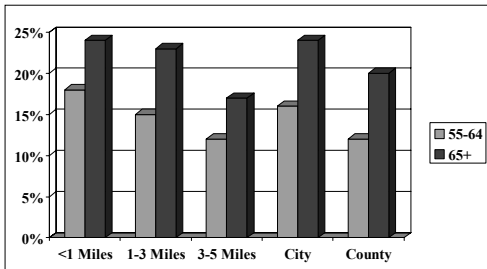
Area Demographics

- 11,000 people in 5,200 HH within 1 mile
 - 62,000 people in 28,500 HH within 3 miles
- Average HH size smaller than average
- 52% owners vs 48% renters within 3 miles
 - 67% owners vs 33% renters in County
- Median Age 40 within 1 mile,
 - 35 in 1-3 miles, 42 in Scottsdale, 33 in County
- Average HH Income is \$50,000, Median HH income is \$38,000-\$41,000

Local Market Has Higher % of Seniors Than County



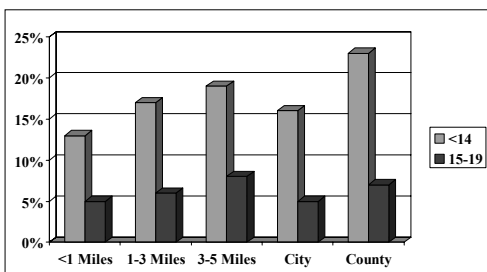
Local Market Has Higher % of Senior HH Than County



Senior HH Characteristics Within 3-Miles

- 44% are family households (mostly married couple, no children at home)
- 53 % live alone
- 76% own and 24% rent

Local Market Has Lower % of Children & Teens Than County



Market Considerations - Retail

- Traditional neighborhood anchors restricted
- \$12-16+ /- strip retail rents; 91% occupancy rate
- Lack of traditional anchors make financing more difficult
- Non-traditional anchors support retail
- Market orientation & image affected by focus of non-retail development
- Major employer, surrounding residential, and McDowell traffic counts plus
- Family restaurant options - local, franchise, chain - location meets market criteria (traffic counts, population, income)
- Future opportunities/competition at Los Arcos could affect leasing

Market Considerations - Medical Office

- Synergies with senior center and housing
- \$12-14+ /- mostly older, class C buildings; occupancy 79%
- Generally small units or buildings; larger buildings near hospitals
- Some non-profit organizations are compatible office tenants

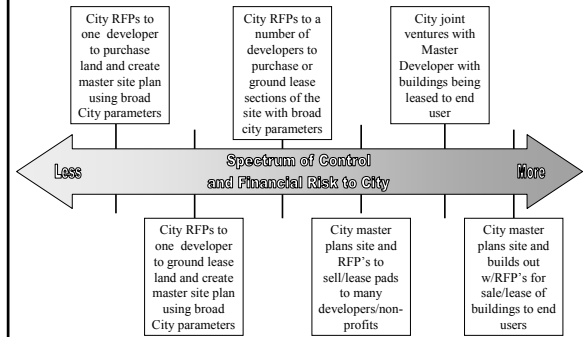
Market Considerations - Sr. Housing

- Synergies with senior center and medical office
- Local market has higher than average % seniors
- Large majority own homes
- Potential for local move-down market
- Most private operators will look to regional market
- Market is more moderate price-point
- Flexible land use - can be phased with demand

Disposition Considerations

- Sell, lease, or invest land
- Parcel strategy important
- CC&Rs and reciprocal agreements
- Combining commercial use options to attract developers & facilitate mixed-use
- Issue proscriptive RFP or let responses indicate market
- Criteria for selection
- Next Step - financial testing of scenarios

City Role Continuum



Development Options



Development Option #1

▪ Senior Center	2.9 Acres
▪ Stagebrush Theater	1.1 Acres
▪ Family Restaurant	1.0 Acres
▪ Retail / Office	1-2 Acres*
▪ Multi-Generational A.C.	1.4 Acres*
▪ Senior Housing (75-100 Units)	3-4 Acres*
▪ Internal Circulation	<u>1.4 Acres</u>
▪ Total	13.1 Acres

Development Option #2

▪ Senior Center	2.9 Acres
▪ Stagebrush Theater	1.1 Acres
▪ Family Restaurant	1.0 Acres
▪ Retail / Office	1.3 Acres*
▪ Senior Housing (125-140 Units)	4.0 Acres*
▪ Internal Circulation	<u>1.4 Acres</u>
▪ Total	13.1 Acres

Development Option #3

▪ Senior Center	2.9 Acres
▪ Stagebrush Theater	1.1 Acres
▪ Family Restaurant	1.0 Acres
▪ Retail / Office	1.3 Acres*
▪ Multi-Generational A.C.	1.4 Acres*
▪ Schools/Non-Profits	5.4 Acres*
▪ Internal Circulation	<u>1.4 Acres</u>
▪ Total	13.1 Acres

Tonight's Request

- Key Areas of Direction from Council:
 - 1 – Approval of Development Options
 - 2 – Feedback on Development Parameters
- Approve Contingency Transfer of \$69,500 from Capital Improvement Project Funds to Center No. PO101 to fund Phase II of Architectural Service Contract No. 2002-017-COS